

Kini Roundup: 1MDB courts default as IPIC pulls out, Nazir takes leave
MalaysiaKini.com
Apr 19th, 2016
Kini Roundup

Here's a recap of major headlines yesterday you may have missed.

1MDB courts default as IPIC pulls out

Abu Dhabi-based International Petroleum Investment Company (IPIC) has pulled out of a rescue plan involving 1Malaysia Development Berhad, alleging that 1MDB failed to live up to its end of the deal.

As a result, 1MDB risks a US\$50 million interest default on a bond issue due yesterday which IPIC had once agreed to pay and assume the liability for as part of the 'bailout' plan.

While 1MDB noted the US\$50 million in interest now due on the sovereign fund's issued bonds is unpaid by the Abu Dhabi state-owned firm, it stopped short of saying if it will pick up the tab. Nevertheless, it announced that it will pay off all their other obligations under any other financing arrangements and have ample liquidity to do so.

1MDB also announced that it boasts a cash surplus of RM2.3 billion after settling all bank and short-term debts, which it has earmarked for infrastructure and other debt service requirements.

It had also repaid a RM2 billion loan put together by tycoon T Ananda Krishnan last year.

CIMB's Nazir on leave pending US\$7m review

According to AirAsia chief Tony Fernandes in an Instagram post, CIMB chairperson Nazir Abdul Razak has taken leave to allow an independent internal investigation regarding the US\$7 million he had distributed for his brother Prime Minister Najib Abdul Razak in the last general elections.

Nazir later confirmed that he was on leave from the bank to facilitate an internal review regarding the transfer of US\$7 million, citing the need to maintain the bank's integrity as the probe is ongoing.

He also said that the transfer of the money was a one-time favour for his brother, adding that at no other time did his brother asked for this kind of assistance, he told reporters after chairing CIMB Group's annual general meeting in Kuala Lumpur.

More Kini bites

Saudi Foreign Minister Adel al-Jubeir saying he is aware of claims that monies deposited

into Najib's private accounts are donations does not mean that he agrees it is true, argued former premier Dr Mahathir Mohamad.

Pandan MP Rafizi Ramli has lodged a police report against Penang-born tycoon Jho Low over his alleged involvement in the 1MDB scandal, hoping to start a public campaign and force the authorities to take action against 1MDB's administration and those linked to the firm's mismanagement.

Inspector-general of police Khalid Abu Bakar said that it was difficult to provide a specific time frame as to when investigations on 1MDB would be completed. Earlier he said that cops needed time to go through the over 100 pages of Public Accounts Committee (PAC) findings on the fund.

A Malaysiakini special report lists the top 10 things you should know about Malaysian highways - how much the government has paid for them, how much the concessionaires have earned, and even a way to calculate how much tolls taxpayers are paying in their lifetime.

Looking ahead

Opposition members of the PAC will be holding a press conference at 11am on the recent developments on 1MDB at the Parliament lobby, believed to be linked to news that the fund could default in a bond interest payment.

The Malaysian chapter of animal rights group People for the Ethical Treatment of Animals (Peta) will stage a demonstration at several brand outlets in The Pavillion, Bukit Bintang at noon, featuring a 'group of Ostriches' to protest the use of the African animals skin in the manufacturing of handbags by luxury brands Hermes and Prada.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
Source: <https://www.malaysiakini.com/news/338325>