

Ex-1MDB CEO stands by MACC statement in audit case involving Najib

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Former 1MDB CEO Arul Kanda Kandasamy is standing by his statement recorded by the MACC in the case involving former prime minister Najib Abdul Razak.

This is regarding the Malaysian sovereign wealth fund's audit report case against Najib at the Kuala Lumpur High Court.

Defence counsel N Sivananthan said this to trial judge Mohamed Zaini Mazlan during today's hearing of the prosecution's bid to call Arul (above) as a star witness against Najib.

Sivananthan also said Arul is concerned about whether he will be granted an acquittal right after his testimony.

Zaini: Is your client objecting to the application or is okay (with it)?

Sivananthan: He is prepared to take the stance that he is standing by his

statement given (to the MACC).

Zaini: So in English, yes.

As the entire court reverberated with laughter at the judge's remark, Sivananthan quipped this is why they are lawyers.

Back in 2018 following the 14th general election, Arul was called several times by MACC to give his statement regarding the case.

The prosecution is contending that a decision to make the amendments to the 1MDB audit report was taken during a meeting on Feb 24, 2016, at the office of then chief secretary to the government Ali Hamsa.

It was alleged this was done to remove or alter certain portions of the 1MDB audit report, including dropping the issue of wanted fugitive Low Taek Jho's (Jho Low) attendance at the fund's board meetings.

Another issue that was allegedly dropped from the 1MDB audit report was the two conflicting 2014 financial statements of the sovereign wealth fund.

Earlier during today's proceedings, ad hoc deputy public prosecutor Gopal Sri Ram submitted that Arul's testimony may touch on conversations with Najib - then chairperson of 1MDB's board of advisers - regarding the government audit of the fund.

"On the facts before the court, there is evidence to confirm that Arul attended the meeting held on Feb 24, 2016. He also attended the meeting (allegedly at Ali's office) on Feb 25, 2016.

"At the material time, he was the CEO of 1MDB whilst the accused Najib was the chairperson of the (1MDB) board of advisers.

"How he (Arul) came to attend the meetings and any communication he had with the accused are matters to which he is privy.

"He is also privy to all relevant conversations he may have had with the accused Najib concerning the charge against the latter.

"As an abettor, he (Arul) is a relevant witness. Because he is in a position to testify as to his co-accused's conduct," contended Sri Ram, who is a former Federal Court judge.

Najib's lawyer objects

However, Najib's counsel Muhammad Shafee Abdullah countered that the court should reject the bid to call Arul as a prosecution witness due to the alleged lack of worth in his possible testimony.

The lawyer claimed it is because Arul may be influenced by the prosecution's bid to the extent of testifying against Najib while downplaying his (Arul) own alleged role in the audit report case.

"It is oppressive (allegedly against Arul) as they (prosecution) let Arul sit there (in the dock with Najib) while listening to other witnesses.

"If the prosecution is happy with the evidence, then the court would make an evaluation (regarding whether to give a certificate of indemnity such as possible acquittal to Arul)," Shafee said.

The lawyer added that Arul's testimony may be coloured to favour the prosecution's case against Najib, thus denying a fair trial for the former finance minister.

However, Sri Ram countered that safeguards existed to ensure a fair trial for

Najib in the event that Arul is allowed to testify against the former premier.

The prosecutor pointed out that among these safeguards is that Arul's testimony against Najib still needs to be corroborated by other evidence and that the court can remind itself that Arul's evidence may be influenced by any attempt to minimise his (Arul) involvement in the case.

At the end of open-court proceedings, Zaini fixed June 24 to deliver his verdict on whether to allow Arul to testify against Najib.

In the event that the court allows the bid, Arul is expected to take the stand on that date.

If the court denies the prosecution's application, then the MACC investigating officer would testify for continuing the trial that day.

Najib is charged with using his position to order amendments to 1MDB's final audit report before it was presented to the Public Accounts Committee to prevent any action against him.

Arul was charged with abetting Najib in making the amendments.

The charges are framed under Section 23 (1) of the MACC Act 2009, which specifies a jail term of up to 20 years and a fine of no less than five times the amount of gratification or RM10,000, whichever is higher.

Besides Ali and Arul, others who were present at the meeting on Feb 24, 2016, were former auditor-general Ambrin Buang, former National Audit Department officer Saadatul Nafisah Bashir Ahmad, Najib's former principal private secretary Shukry Salleh, and then Attorney-General's Chambers representative Dzulkifli Ahmad.

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