

First audit report not submitted 'due to meeting'

The Star - 25/8/2022 09.10

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KUALA LUMPUR: The High Court was told the first version of an audit report on 1Malaysia Development Bhd (1MDB) dubbed "Watermark 09" would have been submitted to the Public Accounts Committee (PAC) had it not been for a meeting held on Feb 24, 2016.

This was testified by former 1MDB CEO Arul Kanda Kandasamy, 46, in the 1MDB audit tampering trial involving him and former prime minister Datuk Seri Najib Razak yesterday.

In an examination-in-chief, lead prosecutor Datuk Seri Gopal Sri Ram told the co-accused-turned-witness that there was evidence from other witnesses who testified in the trial.

Sri Ram: You were in court listening to that evidence.

Arul Kanda: Yes.

Sri Ram: Do you agree with that evidence?

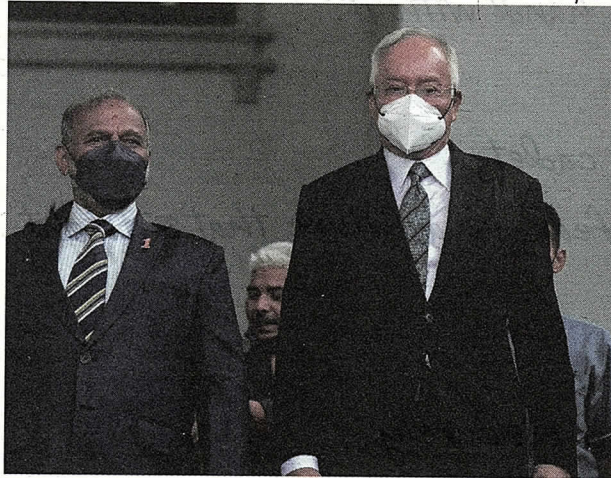
Arul Kanda: Yes.

The court had previously heard of the Feb 24 "coordination meeting" held between 1MDB and other agencies, chaired by former chief secretary to the government, the late Tan Sri Ali Hamsa, at the behest of Najib.

Arul Kanda testified that he had attended the Feb 24 meeting where he first saw Watermark 09 at the end of the meeting.

He said it was a concern during the meeting that the findings of the report (Watermark 09) "may be spun politically".

Sri Ram: Spun to whose detriment?



Hearing to resume:
Najib (right) arriving at Kuala Lumpur Courts Complex. — Bernama

Arul Kanda: My understanding is that it would be spun towards Najib's detriment.

The witness also testified of an "unusual" meeting held at the Kiara Hills home of former TV3 CEO Datuk Seri Ahmad Farid Ridzuan, who was Najib's special officer at that time, on Dec 1, 2015.

He said former 1MDB CEO Datuk Shahrol Azral Ibrahim Halmi, former PAC chairman Datuk Hasan Arifin, and two or three PAC members were in attendance.

Sri Ram: What was the purpose of meeting at Farid's house?

Arul Kanda: (To discuss) what I would be presenting to PAC about 1MDB's affairs.

Sri Ram: Did you receive any instructions from anyone in that meeting on how you should address the PAC?

Arul Kanda: It was more of me sharing information (to them) than them telling me what to do.

Sri Ram: What was the purpose of having a meeting with Hasan?

Arul Kanda: I found it unusual to have that session with him, but I was asked to do so, and I did it.

The witness was also asked about the roadshows or "ceramah" he conducted as instructed by Najib before the 14th General Election in 2018.

"He (Najib) wanted me to explain 1MDB, the issues the company faces, the rationalisation plans," he said.

Arul Kanda said he would use a PowerPoint presentation to deliver his "ceramah" and defend 1MDB's interest as well as field both "supportive and non-supportive" questions from the public when it came to Najib.

To the questions on Najib from the public, Arul Kanda said he would be answering them based on statements by the then-Attorney General (that exonerated Najib) and

the Malaysian Anti-Corruption Commission.

"Typically, what I would do, I would invite the audience to come up with their conclusions.

"The phrase I usually say is 'terpulang kepada tuan-tuan dan puan-puan untuk buat keputusan sewajarnya' (it is up to you, ladies and gentlemen, to decide).

"I do recall using that phrase quite a bit," he added.

Earlier in the proceedings, High Court judge Justice Mohamed Zaini Mazlan allowed an application by the prosecution to call Arul Kanda to testify as a prosecution witness under Section 63 of the Malaysian Anti-Corruption Commission (MACC) Act 2009.

The judge said he was satisfied with the prosecution's grounds for the application and that there was no hindrance to the application at any stage in the prosecution's case.

Najib, 69, is accused of abusing his position to order amendments to the 1MDB final audit report to avoid any action against him, while Arul Kanda is accused of abetting Najib in making the amendments.

Both men face charges under Section 23(1) of the Malaysian Anti-Corruption Commission (MACC) Act 2009, which provides 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, upon conviction.

The hearing resumes on July 4.

Watch the video
TheStarTV.com

