

CIVIL SUIT AGAINST EX-PM

SRC IS NOT MY BABY, NAJIB TELLS COURT

There are documents that show company was not my idea, says former PM

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DATUK Seri Najib Razak told the High Court yesterday that SRC International Bhd was not his “baby”.

The incarcerated former prime minister said it was not his idea to establish the company, which had the aim of seeking new energy investments for the country.

Najib, however, said he would never act against the company's interests. Najib, who was SRC's emeritus adviser, said this in response to lawyer Datuk Dr Gurdial Singh Nijar's description of his role in the company.

Najib, 71, was testifying in the trial of a US\$1.18 billion civil suit filed by SRC against him and the company's former chief executive officer, Nik Faisal Ariff Kamil, who is at large. Gurdial is representing SRC's former director, Datuk Suboh Md Yassin, who is a third-party respondent in the suit.

Najib: I have to correct you, if you say SRC is ‘my baby’. I am definitely not the father.

Gurdial: Okay, fine. That means we are totally mistaken ... categorising you as a visionary in this.

Najib: Okay, yes, but as the father of SRC? Definitely not. Because we have documents to show that it was never my idea.

Gurdial: Okay, all right. I, myself, was under an illusion that it was, you know, who conceived it and so on.

Najib: Please don't say I'm the father of SRC.

Gurdial: Okay, I won't say it.

Najib said the company and its board of directors were jointly liable for the losses resulting from the misappropriation of funds.

Gurdial: It is not fair to blame my client when he only followed shareholder resolutions.

Najib: They need to act for the best of the company's interest, as stated in the company's memorandum and article of association.

Gurdial: SRC and its directors are to blame. Would you agree with me on this?

Najib: Jointly liable.

Gurdial: The company also sued its directors but later withdrew it (the suit).

Najib: I cannot understand why. I am baffled. After preparing such a lengthy suit and they just withdrew it.

Najib also said any director who disagreed with SRC's direction could have left the company.

He cited the example of former 1Malaysia Development Bhd (1MDB) chairman Tan Sri Mohd Bakke Salleh, who resigned in protest in 2009. SRC is a subsidiary of 1MDB.

“If you are one of the board members and do not agree with whatever the company decides, then you are at liberty to resign.”

SRC also alleges that Najib misappropriated company funds and benefited from them.

It is also seeking a court declaration that Najib is responsible for the company's RM42 million in losses due to his breach of duties and trust, and for Najib to pay back the money.

The trial before judge Datuk Ahmad Fairuz Zainol Abidin continues on Oct 24.