

1MDB to fully cooperate with Auditor-General's investigation

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Debt-ridden state investor 1Malaysia Development Berhad (1MDB) pledged to give its full cooperation to the Auditor-General as the national auditor investigates the firm's operations.

1MDB president and group executive director Arul Kanda Kandasamy said it will furnish Tan Sri Ambrin Buang and his team with documents to facilitate the review.

"As this is an ongoing process, 1MDB will not be making any statements regarding the company's operations or activities that are subject to this review," he said in an email reply to The Malaysian Insider late last night.

The Malaysian Insider asked 1MDB to clarify the Singapore's Business Times report saying Putrajaya issued the company a RM970 million loan, after a Cabinet meeting last month.

It added that Putrajaya set certain conditions before the funds were disbursed to the firm.

But a spokesperson for the company declined to comment on the report.

Criticism has been mounting over the wholly owned Finance Ministry investment vehicle, established in 2009, which has chalked up debts of up to RM42 billion.

Scrutiny of the company grew more intense recently following whistleblower site Sarawak Report's exposés last week that piled pressure on Prime Minister Datuk Seri Najib Razak and prompted opposition politicians, former Umno leaders and anti-graft bodies to demand a thorough investigation into 1MDB.

Last Wednesday, Najib ordered the country's auditor-general to "independently verify 1MDB's accounts", with the findings to be passed to the Public Accounts Committee (PAC).

Ambrin (pic, left) told the press that the national auditor's inspection of 1MDB's account had started, but did not set a time frame to complete the audit.

The national auditor's finding on 1MDB is vital as it precedes further action by the PAC as well as the police and Malaysian Anti-Corruption Commission's investigations.

Inspector-General of Police Tan Sri Khalid Abu Bakar said the a task force was formed to probe into 1MDB but would be contingent on the national auditor finding any "discrepancies or indications of wrongdoing". – March 12, 2015.

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