

PKR wants Najib investigated over 1MDB

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PKR wants the police, the Malaysian Anti-Corruption Commission and Auditor-General to investigate Datuk Seri Najib Razak after it was revealed that the prime minister had the final say over any "financial commitment" in Terengganu Investment Authority (TIA), the predecessor of troubled 1Malaysia Development Berhad (1MDB).

PKR secretary-general Rafizi Ramli also wanted Najib to explain to Parliament his alleged involvement in the debt-laden firm.

"He also needs to present himself to the Public Accounts Committee to explain if his written consent had been given to all 1MDB's investments and business transactions after the federal government's guarantee on 1MDB's first bond.

"Starting from today, if there is any element of criminal fraud in 1MDB, it will involve the prime minister because Article 117 clearly shows his direct involvement in 1MDB's decisions," he said at the Parliament lobby today.

Article 117 of the Memorandum and Articles of Association states that the prime minister must give his written approval for any of TIA's deals, including the firm's investments or any bid for restructuring.

Provision 75 of the same agreement also states that the management of the company and determination of its overall policies or policies lies with the board of directors.

TIA was set up on February 27, 2009, the same date where the memorandum was signed, and according to the Companies Commission of Malaysia statement, its name was changed to 1MDB on September 25 the same year.

Rafizi is convinced TIA's M&A was carried forward to 1MDB based on the lack of denial by the latter's president and group executive director Arul Kanda Kandasamy in a statement yesterday evening.

Arul Kanda had said 1MDB's M&A are available to the public via the Companies Commission of Malaysia.

"Any suggestion that these documents were leaked, or that the details contained within them have not been previously disclosed, are false and we regret that insinuations are being made to this effect," he had said.

Rafizi also pointed out TIA's company number did not see any changes despite the change of name to 1MDB.

He is also convinced Najib, who is also 1MDB's advisory board chairman, has knowledge of all of the company's deals based on wording in Article 117, which states

that it takes precedence over other clauses in the agreement.

Article 117 states: "For the avoidance of any doubt and notwithstanding anything in the Articles, none of the following shall take effect without written prior approval of the prime minister".

As such, Rafizi said this means Najib cannot claim that he was not involved.

"The buck stops with Najib. They can't execute such decisions unless it gets express approval from him," said Rafizi.

Criticism has been mounting over the Finance Ministry wholly-owned investment vehicle which has chalked up debts of up to RM42 billion, backed by Putrajaya.

The auditor-general is currently looking through 1MDB's books, with a preliminary report expected to be submitted to the Parliament in June, while Parliament's Public Accounts Committee (PAC) started its investigation into the company on May 19. – May 27, 2015

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