

SRC to sell assets to repay its loans, says ministry
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SRC International still owes the government RM310 million and KWAP RM4.385 billion.

PETALING JAYA: The finance ministry says former 1MDB subsidiary SRC International Sdn Bhd will sell its assets to repay its loan from the government.

It said that despite 2015 and 2016 being challenging years for SRC, the company was constantly trying to settle all its debts.

“Among the steps being taken is to sell the company’s assets to settle its debt to the finance ministry,” news portal Malaysiakini reported today.

This was stated in a written parliamentary reply in response to a question by Selayang MP William Leong on SRC International’s outstanding debt.

SRC International still owes the government RM310 million at an interest rate of 4% per annum, the ministry said in its parliamentary reply.

It said SRC International also owed the Retirement Fund Incorporated (KWAP) RM4.385 billion at an interest rate of between 4.3% and 5.1% per annum.

The reply, however, did not mention the assets which SRC International plans to sell, the portal said.

SRC International was set up in 2011 to explore international strategic investments in the energy sector.

It was a subsidiary of state-owned 1MDB until it was placed under the purview of the finance ministry, headed by Prime Minister Najib Razak.

Last November, Second Finance Minister Johari Abdul Ghani admitted that SRC International was in financial difficulty due to problems it faced in recovering money it had deposited in BSI Bank.

This came after a branch of the Swiss bank in Singapore was shut down for breaching money laundering regulations in a development allegedly linked to 1MDB.

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