

RTM paid Telekom Malaysia over RM100 million before contract signed, audit report reveals

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National broadcaster Radio Televisyen Malaysia (RTM) paid RM103.14 million to Telekom Malaysia Berhad (TM) for broadcasting services even before the two parties signed the contract, the 2014 Auditor-General's (A-G) report has revealed.

In the first series of the report tabled in Parliament today, the A-G said payments for such contracts could only be made after the deal is sealed.

"An audit has found that eight payments amounting to RM103.14 million has been paid to TM before the contract was signed," it said.

The report noted that the Finance Ministry, in a letter dated July 22, 2014, was informed of the payments.

It had also asked the Communications and Multimedia Ministry's secretary-general to advise the officers involved to follow the set regulations on such acquisitions.

The audit report revealed that the ministry had later stressed that the July 22 letter was not a form of "special approval" for the funds, but to note that it had been informed that money was paid to TM without a contract.

In a reply received by the audit department on March 4, this year, RTM said that the payment was made after TM had provided its services. The ministry added that it would form a committee to review the payment made.

Besides that, the audit report also found overpayment in payment for rental of land and floor space for erecting a TM transmitter worth RM121,000, which is 28.4% beyond that stipulated in the contract.

"Audit checks done with officers from RTM and TM at stations in Bukit Singgalang, Gunung Pulai, Pulau Tioman and Bukit Sungai Kecil revealed that the floor space were 1,016 square feet smaller than that mentioned in the contract." – April 6, 2015.

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