

TI-M Wants Protection For Whistleblowers



KUALA LUMPUR, June 20 (Bernama) -- Transparency International Malaysia (TI-M) wants the government to protect whistleblowers with the appropriate laws so that they can step up and promote integrity and transparency within their organisations.

It also wants heavier deterrence including imprisonment of corporate leaders for corporate fraud, and also the introduction of Integrity Pacts in both public and private sector.

Corporate board should include strict measures to such as an integrity pledge to be observed at all corporate levels, it said in a statement here today, responding to the recent reports of serious financial irregularities in Transmile Group Bhd by Moores Rowland Risk Management (MRRM).

Transmile is alleged to have overstated its revenue by a total of RM522 million in financial year 2004, 2005 and 2006.

In addition, RM341 million in its property, plant and equipment account appeared to have been fabricated as the amount was little supported by documents.

Transmile is also said to have made payments totalling RM189 million last year and this year, without any supporting payment vouchers.

TI-M has called for a full investigation by relevant authorities on the alleged accusations.

It noted that since the financial crisis of 1997 and the subsequent failures of Enron and WorldCom in US due to accounting fraud, corporate governance and financial regulatory requirements have been tightened in Malaysia.

Despite this, the level of corporate integrity in the private sector still needs to be improved significantly, it said.

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