

DZONGKHAGS

4.13 Dzongkhag Administration, Samtse

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Samtse. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 9.678 million as summarised below:

Table 4.43 showing the summary of observations with category code and amount involved (Nu. in million)

Sl. No	Observations in brief	Amount	Category code
1	Over/Inadmissible/Irregular/Double payment	0.196	5.1
2	Non/short accountal	0.102	5.9
3	Violation of procurement norms	7.894	4.4
4	Malpractices and abuses	0.461	1.2
5	Irregularities in advances	0.957	5.6
6	Mismanagement of Revenue and taxes	0.068	3.4
Total		9.678	


As noted from the above table major irregularities pertained to violation of procurement norms, advances, malpractices and abuses while there were few instances of over/irregular payments. The detailed reports of significant irregularities are presented hereunder:

4.13.1 Inadmissible/over/excess payment – Nu. 0.196 million

The Dzongkhag Administration, Samtse had made inadmissible payments of Nu.0.196 million as listed below:

Table 4.44 showing inadmissible/over/excess payment (Nu.in million)

Sl. No.	Inspection Report No.	Amount	Who are Accountable?
1	IR(09)D5/SA/2002/4061 dated 26.1.05	0.088	Sangay Dorji, DE and Kelzang Wangchuk, JE
2	-do-	0.039	Sangay Dorji, DE and Pema Namgyel, JE
3	-do-	0.029	Sangay Dorji, DE and Kelzang Wangchuk, JE
4	-do-	0.040	Phuntsho Wangdi, Finance Officer, Kuenzang Nidup, Deputy Chief Accountant and Dorji Wangdi, Senior Accountant
Total		0.196	

 The contract work for the construction of six classroom blocks at Dorokha Lower Secondary School was awarded to M/s Tergo Construction, Haa.

Physical verification of works and detailed verification of contractor's bill revealed over payment amounting to Nu.0.088 million;

- ✚ The contract for the prefabricated wooden house construction at the Royal Guest House was awarded to M/s Green Wood Manufacturing Corporation. Joint measurement of actual work executed revealed over payment amounting to Nu. 0.039 million;
- ✚ The re-roofing work of Dogap Lhakhang and Sengdyen Community Primary School was awarded to M/S K.S. Construction, Haa. Physical verification of works revealed over payments amounting to Nu.0.029 million; and
- ✚ The Dzongkhag staffs while attending the training on census and immigration in the Ministry of Home & Cultural Affairs and the Royal Court of Justices were paid DSA of Nu.1000 per day, which was not admissible resulting in irregular payment of Nu.0.050 million. The Administration had deposited Nu.0.010 million leaving a balance of Nu.0.040 million.

4.13.2 Non/short accountal – Nu.0.102 million

The Dzongkhag Administration had procured various materials amounting to Nu.0.102 million but stock entries for the items procured were not found, without which the genuineness of payments made could not be ascertained.

Who is Accountable?

Naiten Dorji, Adm. Officer is held accountable.

4.13.3 Violation of procurement norms - Nu.7.894 million

The Dzongkhag Administration, Samtse had fraudulently violated the guidelines stipulated in the Procurement Manual in awarding the following works:

Table 4.45 showing violation of procurement norms (Nu.in million)

Sl. No.	Inspection Report No.	Amount	Who are Accountable?
1	IR(09)D5/SA/2002 /4061 dtd 26.1.05	3.783	<i>Dasho Sherab Gyeltshen, former Dzongdag, Tshering Nidup, Dzongkhag Engineer, R.S Pillia, Former Finance Officer, Phuntsho Wangdi, Former Asst. Fiance Officer, Pema Namgyel, Junior Engineer and Namgay Tshering, JE</i>
2	-do-	3.096	<i>Dasho Sherab Gyeltshen, former Dzongdag, Tshering Nidup, Dzongkhag Engineer, R.S Pillia, Former Finance Officer, Phuntsho Wangdi, Former Asst. Fiance Officer, Pema Namgyel, Junior Engineer and Namgay Tshering, JE</i>
3	-do-	0.980	<i>Naiten Dorji, Administrative Officer, R.S Pillai, Finance Officer, Pema Namgyel, Junior Engineer, Karma Dendup, District Education Officer and Sangay Dorji, District Agriculture Officer</i>
4	-do-	0.035	<i>Sangay Dorji, DE and Kelzang Wangchuk, JE</i>
Total		7.894	

- ✚ The contract for the construction of Science Laboratory at Samtse Middle Secondary School was awarded to M/s Jigme Dorji Construction. Before the bids were opened the Tender Committee had unscrupulously decided to award the work to the nearest but above the Technical Sanction amount of Nu.3.783 million;
- ✚ The contract for the construction of Lophon's quarter at Samtse Middle Secondary School was awarded to M/s Lhaba Construction, Samtse. Before the bids were opened the tender committee had unscrupulously decided to award the work to the bidder whose quoted rate was near but below the Technical Sanction amount of Nu.1.896 million. After the award of work additional work amounting to Nu.1.200 million was given to the same contractor. Dasho Dzongdag accorded technical sanction for this additional work, which was not proper;
- ✚ The contract for the construction of Lhakhang at Sipsu was awarded to M/s K.P.Construction. Before the bids were opened the tender committee had unscrupulously decided to award the work to the bidder whose quoted rate was 5 % below the nearest Technical Sanction amount; and
- ✚ The contract for the construction of six classroom blocks at Dorokha Lower Secondary School was awarded to M/s Tergo Construction, Haa. Time extension for more than six months was given without maintaining hindrance registers. Therefore, liquidated damages of Nu.0.035 million as worked out in audit needed to be imposed.

4.13.4 Malpractices and abuses- Nu.0.461 million

The Dzongkhag Administration, Samtse had cases of malpractices and abuses amounting to Nu.0.461 million as listed below:

Table 4.46 showing malpractices and abuses (Nu.in million)

Sl. No.	Inspection Report No.	Amount	Who are Accountable?
1	IR(09)D5/SA/2002/4061 dtd 26.1.05	0.038	Sangay Dorji, DE and Kelzang Wangchuk, JE
2	-do-	0.025	
3	-do-	0.045	
4	-do-	0.214	Sangay Dorji, DE and A.T.G. Verghese, JE
5	-do-	0.110	Tshering Wangdi, Dumtoe Gup and Kesang Wangchuk, JE
6	-do-	0.029	
Total		0.461	

- ✚ The re-roofing work of Dogap Lhakhang and Sengdyen Community Primary School was awarded to M/s KS Construction, Haa. Physical verification of works revealed payment of Nu.0.038 million for works not executed;
- ✚ The contract for the construction of six class room blocks at Dorokha Lower Secondary School was awarded to M/s Tergo Construction, Haa. Physical verification of works revealed payment of Nu.0.025 million for works not executed;
- ✚ The contract for the construction of three unit class room blocks at Sengden Community Primary School was awarded to M/s Tergo Construction, Haa. Physical verification of works revealed payment of Nu.0.045 million for works not executed;
- ✚ The contract for the construction of farm road from Kuchidiana to Kado under Nainital Geog was awarded to M/s Dezung Construction. Physical verification of works revealed payment of Nu.0.214 million for works not executed;
- ✚ The Dzongkhag Administration, Samtse had spent Nu.0.499 million for the construction of mule track from Namchu Zam to Rangtse. Nu.0.220 million was paid in respect of skilled labour. However, during the joint physical verification by Dzongkhag officials, Geog officials and the auditors, it was observed that mule track was left incomplete from Chehthrap to Tendungay, Garthay Khola to Jabchu and from Chego to Rangtse. In terms of quantity only half of the work valuing Nu. 0.110 million was completed, thereby resulting in payment of Nu. 0.110 million for works not executed; and
- ✚ A sum of Nu. 0.298 million was spent for the construction work of Menduling Community School, out of which Nu. 0.125 million was

towards the payment for skilled labourers. However, during the physical verification 10% of the construction work was found not completed resulting to payment of Nu.0.029 million for works not executed.

4.13.5 Irregularities in advances – Nu.0.957 million

Dzongkhag Administration, Samtse had in their books of accounts a sum of Nu.0.957 million lying outstanding. Some of the advances dated as far back as Financial Year 1997-1998.

Who is Accountable?

Sonam Phuntsho, Finance Officer and Kuenzang Nidup, Deputy Chief Accountant are held accountable.

4.13.6 Mismanagement of revenue and taxes – Nu.0.068 million

Verification of records pertaining to Municipal tax collections and deposits for the year 2001 to 2004 revealed outstanding taxes amounting to Nu.0.068 million. Non deposit of taxes on time attracts 24 % penal interest per annum as per rules in force. Subsequently, some defaulters had cleared the dues with 24% penal interest.

Who is Accountable?

Sangay Tenzin, JE is held accountable.

4.14 Dzongkhag Administration, Dagana

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Dagana. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 2.824 million as summarised below:

Table 4.47 showing the summary of the findings by category, category code and the amount involved (Nu. in million)

Sl. No	Observations in brief	Amount	Category code
1	Over/Inadmissible/Irregular/Double payments	0.936	5.1
2	Violation of other laws, rules and regulations	0.874	4.6
3	Mismanagement of Revenue & Taxes	0.050	3.4
4	Malpractices and abuses	0.495	1.2
5	Misappropriation	0.229	2.1
6	Non/short deduction	0.078	5.11
7	Irregularities in Advances	0.090	5.6
8	Violation of Procurement norms	0.072	4.4
Total		2.824	

As noted from the above table major irregularities pertained to violation of laws, rules and regulations, over/inadmissible/irregular payments, malpractices and abuses, misappropriation. The detailed reports of significant irregularities are presented hereunder:

4.14.1 Over/Inadmissible/Irregular/Double payments – Nu. 0.936 million

The Dzongkhag Administration, Dagana had made over/inadmissible / irregular / double payments of Nu. 0.0.936 million as shown in table below:

Table 4.48 showing over/inadmissible/irregular/double payments (Nu.in million)

Sl. No.	Inspection Report No. & Date	Amount	Who are Accountable?
1	AIN: 5923, IR/RAA-04/Report-05/ 04-05/5418 dated 18/05/05	0.447	Tshechu, AFO
2		0.339	I.B.Rai, Site Engineer, V.K.Babu, Site Engineer, Gyem Dorji, AE, Lungten Thinley, DE and J.N.Pradhan, Site Engineer
3		0.074	Dr. Birdhoj Rai, DLO, Pema Chofil, DAO, Phuntsho Tobgay, DzFO, Kinzang Namgay, ADLO
4		0.051	Tashi Gyeltshen, Adm. Officer, and Tshechu, FO
5		0.025	Tandin Wangdi, AE and J.N.Pradhan, DE
Total		0.936	

- ✚ The Dzongkhag Administration, Dagana had 29 cases of vacation salary of Nu.0.447 million paid to teachers which were not as per rules;
- ✚ Muster Roll payments of Nu. 0.339 million for renovation of Pangna-Thangna irrigation channel under Drujeygang Geog made to skilled labourers were not adequately supported by documentary evidences. In few instances payment were shown to have been made towards free labour contribution;
- ✚ Dzongkhag had incurred an expenditure of Nu. 0.074 million on account of DSA, TA, refreshment, stationery, opening & closing ceremony expenses in conducting farmers' training over and above the ceilings fixed by the MoA;
- ✚ The Dzongkhag had 18 cases of winter salary paid to the Apprentice Teachers amounting to Nu. 0.051 million which were not as per rules; and
- ✚ During verification of Daga Town Site Development works carried out by M/s Tenzin Construction, Thimphu, it was noticed that the wall damaged due to contractor's own negligence and complacence had been paid Nu.0.025 million by the Dzongkhag. As the contractor was asked to

reconstruct the wall at his own cost, the payment borne by the Government was inappropriate. The Dzongkhag had agreed with the findings while responding to the report.

4.14.2 Violation of other Laws, Rules and Regulations – Nu. 0.874 million

For renovating Pangna-Thangna irrigation channel, an agreement had been drawn up amongst the beneficiaries to contribute free labour and impose penalty at the rate of Nu. 50 per day for absence.

As per the agreement a sum of Nu.0.913 million was collectible from absentees. Out of which Nu.0.039 million was only collected leaving a balance of Nu 0.874 million.

From the amount of Nu.0.039 million already collected, the Mangi Ap Thinley Wangchuk had reportedly carried out construction of retaining wall for Nu.0.033 million. However, upon physical verification conducted by the RAA the expenditure incurred against the retaining wall was found to be Nu.0.006 million only.

Who is Accountable?

Thinley Wangchuk, Mangi Ap and Pema Dorji, Lajab are held accountable.

4.14.3 Mismanagement of Revenue & Taxes – Nu. 0.050 million

Revenue amounting to Nu.0.086 million for the period covering from March 2003 till 30th June 2004 was deposited less/short by the Dzongkhag as summarised below:

Table 4.49 showing mismanagement of revenue and taxes (Nu.in million)

Sl.No	Revenue Head	Amount
1	Rural & other taxes	0.033
2	Urban Taxes	0.031
3	Other	0.003
4	Outstanding urban taxes	0.019
Total		0.086

Subsequently, Nu.0.036 million was deposited into Audit Recoveries Account leaving a balance of Nu.0.050 million.

Who is Accountable?

Tashi Gyeltshen, Adm. Officer, Karma Yoezer, Rev. Asstt., and Wangchuk, Rev. Asstt. are held accountable.

4.14.4 Malpractices and Abuses – Nu. 0.495 million

The Dzongkhag Administration, Dagana had cases of malpractices and abuses amounting to Nu.0.495 million as summarised below:

Table 4.50 showing malpractices and abuses (Nu.in million)

Sl. No.	IR No. & Date	Amount	Who are Accountable?
1	IR/RAA-04/Report-05/04-05 / 5418 dated 18/05/05	0.344	Tshechu, AFO, Lungten Thinley, DE and J.N.Pradhan, DE
2	-do-	0.151	Tshechu, AFO, Lungten Thinley, DE and J.N.Pradhan
Total		0.495	

- ✚ For the construction of Ventilated Improved Pit (VIP) and Pour Flush (PF) toilet in 10 schools under the Dzongkhag, DBA had released a budget of Nu. 0.141 million and RWSS Central Store had supplied materials worth Nu. 0.203 million. However, it was found that construction was never carried out and the budget for the year had lapsed; and
- ✚ Contractor Chitra Maya Subedi was paid Nu.0.304 million for extracting and transporting 2,800 cft of timber. This payment included Nu.0.151 million for 1,391.25 cft of timber which was not supplied.

4.14.5 Misappropriation – Nu. 0.229 million

The Dzongkhag Administration, Dagana had cases of misappropriation amounting to Nu.0.231 million as summarised below:

Table 4.51 showing cases of misappropriation (Nu.in million)

Sl. No.	IR No. & Date	Amount	Who are Accountable?
1	IR/RAA-04/Report-05/04/05 / 5418 dated 18/05/05	0.157	Gyem Dorji, AE and J.N.Pradhan, DE
2		0.046	Tashi Tenzin, former Store In-charge and Shyam Kumar Ghalley present Store In-charge
3		0.026	Gyem Dorji, AE and J.N.Pradhan, DE
Total		0.229	

- ✚ On comparison of theoretical vis-à-vis actual consumption of materials for the renovation of Pangna-Thangna irrigation channel, it was noticed that substantial quantity of cement and sand were issued in excess of actual requirement. On verification of Material at Site Register, there was shortage of materials worth Nu. 0.157 million;
- ✚ HSD worth Nu.0.044 million was not handed over by the former Store In-Charge Tashi Tenzin to the present Store In-charge, Shyam Kumar Ghalley. Further, an amount of Nu.0.003 million, being the cost of 183

litres of HSD issued to private parties was not remitted to the Accounts Section of the Dzongkhag by the incoming Store In-Charge; and

- ✚ Out of 997.02 cft of sawn timber for re-roofing of Daga Dzong only 861.48cft had been found transported to the Dzong premises resulting in shortage of 135.54cft valuing Nu.0.026 million.

4.14.6 Non/Short Deduction – Nu.0.078 million

There was short deduction of house rent from the staff occupying the government quarters. It was also found that no rent was deducted from some of the staff. The total of such non/short deduction amounted to Nu.0.224 million.

Subsequently, the Dzongkhag Administration had deposited Nu.0.146 million into Audit Recoveries Account.

Who is Accountable?

Rinchen Dorji, former Dzongrab and Tshechu, AFO are held accountable.

4.14.7 Irregularities in Advances – Nu.0.090 million

The Dzongkhag Administration had outstanding advances amounting to Nu.0.144 million out of which Nu.0.054 million had been settled leaving a balance of Nu. 0.090 million.

Who is Accountable?

Rinchen Dorji, former Dzongrab and Tshechu, AFO are held accountable.

4.14.8 Violation of Procurement Norms – Nu.0.072 million

The Daga Town Site Development works was to be completed on or before 17th April 2004 but it was completed on 27th August 2004 thereby resulting in 58 days delay for which the liquidated damage of Nu.0.072 million was not levied.

Who is Accountable?

Lungten Thinley, former DE, J.N.Pradhan, DE and Pema Chofil, DAO are held accountable.

4.15 Dzongkhag Administration, Tsirang

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Tsirang. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 1.310 million as summarised below:

Table 4.52 showing the summary of the findings by category, category code and the amount involved (Nu. in million)

Sl.No	Observation in brief	Amount	Category Code
1	Irregularities in advances	0.361	5.6
2	Over/Inadmissible/Irregular/Double payments	0.615	5.1
3	Violation of Procurement norms	0.052	4.4
4	Mismanagement of Revenue & Taxes	0.199	3.4
5	Violations of Acts, Directives and Policies	0.048	4.5
6	Irregularities on Property Management	0.035	5.9
Total		1.310	

As noted from the above table major irregularities pertained to over/inadmissible/irregular payments, advances while there were few instances of mismanagement of revenue and taxes. The detailed reports of significant irregularities are presented hereunder:

4.15.1 Irregularities in advances – Nu. 0.361 million

The Dzongkhag Administration, Tsirang had over due advances amounting to Nu.0.361 million out of total advances of Nu.9.304 million.

Who is Accountable?

Lhundup Wangchuk, Dzongdag and Rudra Mani Dhimal, FO are held accountable.

4.15.2 Over/Inadmissible/Irregular/Double Payments – Nu.0.615 million

The Dzongkhag Administration, Tsirang had made over / inadmissible / irregular / double payments of Nu.0.615 million as summarised below:

Table 4.53 showing over/inadmissible/irregular/double payments (Nu. Million)

Sl.No	IR No & Date	Amount	Who are Accountable?
1	IR/RAA-04/Report -01/2005-06/ 7373 dated 20/03/2005	0.160	Lhundup Wangchuk, Dzongdag and Rudra Mani Dhimal, FO
2	-do-	0.187	Karchung, DAO, Dhendup Tshering, DzFO and Sangay ADzFO
3	-do-	0.099	Lhaten Dorji, AE and Lhapchu Dorji, DE
4	-do-	0.056	Choki Dorji, JE and Lhapchu Dorji, DE
5	-do-	0.052	Thukten Tshering, Store In-charge
6	-do-	0.028	Lhundup Wangchuk, Dzongdag and Rudra Mani Dhimal, Finance Officer
7	-do-	0.033	Choki Dorji, JE and Lhapchu Dorji, DE
Total		0.615	

- ✚ Dzongkhag Administration, Tsirang had 22 cases of payment of inadmissible vacation salary to teachers amounting to Nu.0.301 million. The Administration had deposited Nu.0.141 million leaving a balance of Nu.0.160 million;
- ✚ The Dzongkhag had incurred an expenditure of Nu. 0.187 million on account of DSA, TA, refreshment, stationery, opening & closing ceremony expenses in conducting farmers' training over and above the ceilings fixed by the MoA;
- ✚ M/s K.T Construction was paid at the higher rate of Nu. 1,912.24 per cubic metre as against quoted rate of Nu.1,385.00 per cubic metre for the construction of RRM in superstructure of the Royal Guest House resulting into over payment of Nu.0.099 million;
- ✚ M/s Younten Construction who was awarded the work of improvement of Dratshang ground was paid inadmissible amount of Nu.0.056 million for providing and laying of RRM in CM1:4. This was jointly verified and agreed by the substitute site engineer Phub Dorji;
- ✚ The Dzongkhag had paid the suppliers at rates higher than the quoted rates resulting into excess payment of Nu.0.052 million for the purchases of stationery and equipment;
- ✚ The Dzongkhag had paid an inadmissible TA/DA of Nu.0.050 million on account of travels performed within the radius of 10km. not in accordance with travel rules and regulations of BCSRR 2002. Subsequently, Nu.0.022 million was deposited into Audit Recoveries Account leaving a balance of Nu.0.028 million; and
- ✚ The joint physical verification of the works carried out in Dratshang Ground showed an excess payment of Nu.0.033 million.

4.15.3 Violation of Procurement Norms – Nu.0.052 million

The Dzongkhag Administration had not deducted 5% void amounting to Nu.0.052 million in compaction work of sports stadium.

Who is Accountable?

Dorji Khandu, AE and Lhapchu Dorji, DE are held accountable.

4.15.4 Mismanagement of Revenue & Taxes – Nu.0.199 million

The Dzongkhag had cases of mismanagement of revenue and taxes amounting to Nu. 0.199 million as summarised below:

Table 4.54 showing mismanagement of revenue and taxes (Nu. million)

Sl.No	Observation In Brief	Amount	Who are Accountable?
1	Short deposit of revenue	0.171	<i>Gyeltshen, Revenue in-charge</i>
2	Less deposit of sale proceeds from auctioning of timber off cuts	0.028	<i>Gyeltshen, Revenue in-charge</i>
Total		0.199	

- ✚ The Dzongkhag Administration had short deposited revenue amounting to Nu.0.171 million; and
- ✚ The Dzongkhag Administration had deposited Nu.0.178 million against the total sale proceeds of Nu.0.206 million on auction of Timber off cuts and other wastages resulting to short deposit of Nu.0.028 million.

4.15.5 Violations of Acts, Directives and Policies – Nu.0.048 million

The Dzongkhag Administration had three cases of non-collection of rent at revised rates and one case of non-collection of rent for two months. The total amount worked out was Nu.0.048 million.

Who is Accountable?

Tshewang Jigme, Administrative Officer is held Accountable

4.15.6 Irregularities on Property Managements– Nu.0.035 million

The Dzongkhag Administration had shortage of office equipment, furniture and other government properties valuing Nu.0.035 million.

Who is Accountable?

Thukten Tshering, Store Incharge is held accountable

4.16 Dzongkhag Administration, Pemagatshel

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Pemagatshel. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 0.329 million as summarised below:

Table 4.55 showing the observations in brief with category code and amount involved (Nu. in million)

SI.No	Observations in brief	Amount	Category code
1	Irregularities in advance	0.300	5.6
2	Over/Inadmissible/Irregular/Double payment	0.029	5.1
Total		0.329	

As noted from the above table major irregularities pertained to advances while there were few instances of over/inadmissible/irregular payments. The detailed reports of significant irregularities are presented hereunder:

4.16.1 *Irregular advances - Nu. 0.300 million*

Advances of Nu.0.632 million were lying outstanding against the officials, suppliers and contractors. Subsequently, the Administration had deposited/adjusted Nu.0.332 million leaving a balance of Nu.0.300 million.

Who is Accountable?

Namgay, Dasho Dzungda and Tenzin Jamtsho, Finance Officer are held accountable.

4.16.2 *Over/Inadmissible/Irregular/Double payment - Nu.0.029 million*

The Dzongkhag Administration, Pemagatshel had paid inadmissible vacation salary of Nu.0.339 million to its teachers. Subsequently, the Administration had deposited Nu.0.310 million into Audit Recoveries Account leaving a balance of Nu.0.029 million.

Who is Accountable?

Tenzin Jamtsho, Finance Officer is held accountable.

4.17 Dzongkhag Administration, Trashigang

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Trashigang. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 1.792 million as summarised below:

Table 4.56 showing the observations in brief with category code and amount involved (Nu. in million)

Sl.No	Observations in brief	Amount	Category code
1	Irregularities in advances	0.714	5.6
2	Over/Inadmissible/Irregular/Double payment	1.078	5.1
Total		1.792	

As noted from the above table major irregularities pertained to over/inadmissible/irregular payments and advances. The detailed reports of significant irregularities are presented hereunder:

4.17.1 *Irregular in advances - Nu. 0.714 million*

Advances aggregating to Nu.1.042 million were lying outstanding against the officials, suppliers and contractors. Subsequently, the Administration had deposited/adjusted Nu.0.328 million leaving a balance of Nu.0.714 million, which included advances dating back to 1980s and early 90s.

Who is Accountable?

Phuntsho Gyelchen, Drawing and Disbursing Officer, Tashi Wangyel, Former Assistant Finance Officer and Sonam Tobgay, Present Finance Officer are held accountable.

4.17.2 *Over/Inadmissible/Irregular/Double payment - Nu. 1.078 million*

The Dzongkhag Administration, Trashigang had paid inadmissible vacation salary of Nu.1.078 million to the teachers.

Who is Accountable?

Tashi Wangyel, Former Finance Officer and Sonam Tobgay, Present Finance Officer are held accountable.

4.18 Dzongkhag Administration, Trashiyangtse

The Royal Audit Authority during the year had issued 3 Reports pertaining to the Dzongkhag Administration, Trashiyangtse. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 0.680 million as summarised below:

Table 4.57 showing the observations in brief with category code and amount involved (Nu. in million)

Sl.No	Observations in brief	Amount	Category code
1	Over/Inadmissible/Irregular/Double payment	0.286	5.1
2	Malpractices and abuses	0.024	3.4
3	Irregular advances	0.370	5.6
Total		0.680	

As noted from the above Statement major irregularities pertained to over/inadmissible/ irregular payments and advances while there were a few instances of malpractices and abuses. The detailed reports of significant irregularities are presented hereunder:

4.18.1 *Over/Inadmissible/Irregular/Double payment - Nu. 0.286 million*

There were few instances of inadmissible payments made by the Dzongkhag Administration aggregating to Nu. 0.286 million as summarised below:

Table 4.58 showing over/inadmissible/irregular/double payments (Nu. in million)

Sl. No.	Agency	Amount	IR No & Date	Who are Accountable?
1	Rigsum Goenpa, Trashiyangtse	0.099	RAA/OAAG-SJ/OD(IR-82)2005 /3789 dated 20/10/05	Dawa, JE
2	Dzongkhag Administration, Trashiyangtse	0.187	RAA/OAAG-SJ/TY(IR-36)2005 /2983 dated 7/3/05	Munesh Sharma, AFO
Total		0.286		

- ✚ M/s Pema Gyeltshen Construction had been paid a sum of Nu.0.099 million in excess by applying the item rates of another contractor in the final bill; and
- ✚ Teachers under the Dzongkhag Administration, Trashiyangtse were paid vacation salary amounting to Nu.0.274 million in contravention to Rules. The outstanding balance after deposit into ARA stood at Nu.0.187 million.

4.18.2 Malpractices and abuses - Nu.0.024 million

- ✚ The Dzongkhag Forestry Officer had claimed Nu.0.010 million for creation of nursery at Tshenkharla Geog Centre which was already created out of the fund from RNR-RC, Wyenkhar;
- ✚ Muster Roll payment of Nu.0.010 million was shown towards construction of fencing at Chorten Kora without actually executing the work; and
- ✚ Further the official had claimed Nu.0.054 million by way of providing lunch 4 times a day for 5 days and Muster Roll payment for 5 days as against actual 3 days of fire fighting work.

Subsequently, the Administration deposited Nu.0.050 million in Audit Recoveries Account leaving balance of Nu.0.024 million.

Who is Accountable?

Sonam Gyeltshen, DZFO is held accountable.

4.18.3 Irregularities in advance – Nu.0.370 million

Advances aggregating to Nu.0.906 million were lying outstanding against the officials, suppliers and contractors as on 30/6/04. Subsequently, the Administration had deposited/adjusted Nu.0.536 million leaving a balance of Nu.0.370 million.

Who is Accountable?

Choida Jamtsho, Drawing and Disbursing Officer and Munesh Sharma, Finance Officer are held accountable.

4.19 Dzongkhag Administration, Samdrup Jongkhar

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Samdrup Jongkhar. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 4.915 million as summarised below:

Table 4.59 showing the observations in brief with category code and amount involved (Nu. in million)

Sl.No	Observations in brief	Amount	Category code
1	Over/Inadmissible/Irregular/Double payment	0.530	5.1
2	Mismanagement of Revenue and taxes	0.042	3.4
3	Irregularities in advances	4.343	5.6
Total		4.915	

As noted from the above table major irregularities pertained to over/inadmissible/irregular payments and advances while there were few instances of mismanagement of revenue and taxes. The detailed reports of significant irregularities are presented hereunder:

4.19.1 *Over/Inadmissible/Irregular/Double payment - Nu. 0.530 million*

The Dzongkhag Administration, Samdrup Jongkhar had paid inadmissible vacation salary of Nu.0.539 million to its teachers. Subsequently, the Administration had deposited Nu. 0.009 million into Audit Recoveries Account leaving a balance of Nu.0.530 million.

Who is Accountable?

Lok Nath Sharma, Former Finance Officer and Kezang Lhamo, Present Assistant Finance Officer are held accountable.

4.19.2 *Mismanagement of revenue and taxes - Nu.0.042 million*

The Dzongkhag Administration had outstanding municipal taxes of Nu.0.047 million, out of which Nu.0.005 million was deposited leaving a balance of Nu. 0.042 million.

Who is Accountable?

Mrs. Pema Chokey, Junior Engineer is held accountable.

4.19.3 Irregularities in advances - Nu. 4.343 million

Advances aggregating to Nu. 4.977 million were lying outstanding against the officials, suppliers and contractors. Subsequently, the Administration had deposited/adjusted Nu.0.634 million leaving a balance of Nu.4.343 million.

Who is Accountable?

J.N. Pradhan, Ex-DE (Presently at Dagana) and Sonam Tobgay, Ex-Finance Officer (Presently at RIM) are held accountable.

4.20 Dzongkhag Administration, Chhukha

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Chhukha, including the Geog Administration, Chapcha, Bongo, Phuntsholing and Dungna. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 0.278 million as summarised below:

Table 4.60 showing the observations in brief with category code and amount involved (Nu. in million)

Sl.No	Observations in brief	Amount	Category code
1	Over/Inadmissible/Irregular/Double payments	0.122	5.1
2	Irregularities in advances	0.105	5.6
3	Mismanagement of revenue & taxes	0.051	3.4
Total		0.278	

As noted from the above table major irregularities pertained to advances, over/inadmissible/irregular payments while there were few instances of mismanagement of revenue and taxes. The detailed reports of significant irregularities are presented hereunder

4.20.1 Over/Inadmissible/Irregular/Double payments -Nu.0.122 million

The Dzongkhag Administration, Chhukha had instances of Over / Inadmissible / Irregular /Double payments amounting to Nu.0.122 million as summarized below:

Table 4.61 showing over/inadmissible/irregular/double payments (Nu.in million)

Sl. No.	IR No & Date	Amount	Who are Accountable?
1	IR(08)GG/DAC/2003/5459 dated 24/05/05	0.029	Sonam Choden, HA and Rinzin Wangmo, Teacher
2		0.093	Karma T. Namgyal, Dungpa
Total		0.122	

- ✚ A Health Assistant was paid Nu.0.021 million on account of TA/DA while she was attached to JDWNRH. The amount was not admissible as she was attached to the General Hospital and had not joined her place of posting at Getana BHU. Further, a teacher was paid TA/DA of Nu.0.008 million from the Dzongkhag while attending Bhutan Amateur Athletic Federation (BAAF). The amount was payable by the Bhutan Olympic Committee; and
- ✚ The Dungkhag Administration, Phuntsholing had paid the residential telephone charges of the Dungpa and the Administrative Officer amounting to Nu.0.093 million in contravention to the rules.

4.20.2 Irregularities in advances -Nu. 0.105 million

The Dzongkhag Administration, Chhukha had outstanding advances of Nu.2.268 million. Subsequently, Nu. 0.041 million was deposited into Audit Recoveries Account and Nu. 2.122 million was adjusted leaving a balance of Nu. 0.105 million.

4.20.3 Mismanagement of revenue & taxes -Nu.0.051 million

The Geog Administration, Chapcha had not deposited the rural taxes of Nu.0.026 million collected for the Year 2003 in to the Geog's Current Account till the date of audit. Further, Phub Dawa, the former Gup had withdrawn a sum of Nu.0.025 million from the current account without assigning any reasons for the withdrawal.

Who is Accountable?

Former Gup, Phub Dawa and Revenue In-charge Dorji are held accountable.

4.21 Dzongkhag Administration, Punakha

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Punakha. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 2.378 million as summarised below:

Table 4.62 showing the observations in brief with category code and amount involved (Nu. in million)

Sl.No	Observations in brief	Amount	Category code
1	Tax evasion	0.226	1.3
2	Mismanagement of fund	0.080	3.1
3	Violation of accounting norms	0.041	4.3
4	Violation of procurement norms	0.320	4.4
5	Violation of Acts, Directives and Policies	0.530	4.5
6	Over/Inadmissible/Irregular/Double payment	0.186	5.1
7	Irregularities in advances	0.897	5.6
8	Malpractice and abuses	0.098	1.2
Total		2.378	

As noted from the above table major irregularities pertained to advances, violation of Acts, Directives and Policies, Violation of Procurement Norms, Tax Evasion while there were a few instances of over/inadmissible/irregular payments. The detailed reports of significant irregularities are presented hereunder:

4.21.1 Tax evasion – Nu.0.226 million

The Municipal Office, Punakha had realized property transfer tax of Nu.0.035 million on the sale of a building on the declared sale value of Nu.0.700 million as against actual valuation of Nu.5.230 million of the land and building as assessed by the bank. This had resulted in evasion of tax amounting to Nu.0.226 million.

Who is Accountable?

Tashi Dargay, Dzongrab as the Chairman of the Dzongkhag Municipal Authority, Mrs. Kunzang Wangmo, the seller and Mrs. Yeshey, the buyer are accountable.

4.21.2 Mismanagement of fund – Nu.0.080 million

An expenditure of Nu.0.080 million was incurred on account of purchase of Tashi Khadar/ordinary Khadar during the Fiscal Year 2004-2005. In total approximately 400 Khadars were procured in deviation to procurement norms and mostly found issued to Dzongrab Tashi Dargay, which appeared beyond reasonable limit.

Who is Accountable?

Tashi Dargay, Dzongrab is held accountable.

4.21.3 Violation of accounting norms – Nu.0.041 million

Nu.0.041 million was reimbursed to Tashi Dargay, Dzongrab on account of expenditure incurred for entertaining the Dzongkhag's official guests and direct purchases made by the incumbent. However, reimbursement was made on the strength of hand written bill, without sanction order and the claim was made and passed by himself.

Who is Accountable?

Nima Tshering Dzongdag, Tashi Dargay, Dzongrab and Pema Wangda, Finance Officer are held accountable.

4.21.4 Violation of procurement norms – Nu.0.320 million.

There were instances of violation of procurement norms amounting to Nu 0.320 million as shown below:

Table 4.63 showing violation of procurement norms (Nu.in million)

Sl. No.	IR No. & Date	Amount	Who are Accountable?
1	IR/RAA-04/Report-02/2005-06/8175 dated 29.12.2005	0.147	Tashi Dargay, Dzongrab
2	-do-	0.173	Aku Dorji, Dzongkhag Engineer
Total		0.320	

- ✚ Dzongrab Tashi Dargay had made purchases goods of Nu. 0.147 million related to the VVIP/VIP from M/s Tashi Delek General Shop, Khuruthang, the proprietor of which was the son of Dzongrab Tashi Dargay in defiance to Civil Service Rules and Regulations; and
- ✚ Seven contract works awarded to various contractors were not completed within the time stipulated in the contract agreement for which liquidated damages amounting to Nu.0.173 million were not levied. The hindrance registers were also not maintained.

4.21.5 Violation of Acts, Directives and Policies – Nu.0.530 million

One storied Bhutanese type house belonging to Dzongrab Tashi Dargay was under construction in Eusakha. During the site visit the auditors found 18 pieces of broad leaf timber, which was not as per the timber permit and marked by the Punakha Range office. Further, 36 number joist of ceiling fixed were completely seasoned timber, which would not have got seasoned according to the date of permit obtained. The ceiling had 37 number of Mixed Conifer timber but the permit did not have such trees marked by the Department of Forest.

The auditors also observed that for the purpose of Dzongrab's own construction, a rural housing building timber had been obtained in the name of Mrs. Zangmo of

Serigang under Kabji Geog, which was highly irregular in terms of Revised Forest and Nature Conservation Rule. On comparison of total quantity timber obtained and usage at the construction site, 1,780 cft of timber was found missing.

Who is Accountable?

Tashi Dargay, Dzongrab is held Accountable.

4.21.6 Over/Inadmissible/Irregular/Double payment – Nu.0.186 million

There were instances of over and inadmissible payments of Nu.0.186 million as shown below:

Table 4.64 showing over/inadmissible/irregular/double payments (Nu.in million)

Sl. No.	IR No. & Date	Amount	Who are Accountable?
1	IR/RAA-04/Report-02/2005-06/ 8175 dated 29.12.2005	0.086	<i>Tashi Dargay, Dzongrab</i>
2		0.100	<i>Pema Wangda, Finance Officer</i>
Total		0.186	

- ✚ Verification of the hotel bills vis-à-vis the quoted rates for the year 2004 – 2005 revealed excess payments of Nu.0.086 million to different hoteliers. Nu. 0.069 million and Nu.0.017 million was found paid to M/s Ugyen Canteen, Khuruthang and M/s Hotel Kinga, Khuruthang respectively over and above their quoted rates; and
- ✚ The Dzongkhag Administration, Punakha had disbursed inadmissible vacation salary amounting to Nu. 0.100 million to teachers who had not rendered the minimum service of seven months in the academic year.

4.21.7 Irregularities in advances- Nu. 0.897 million

Advances aggregating to Nu.0.897 million were lying over due for adjustment against the officials, contractors and suppliers. The administration had been giving huge salary/personal advances without heeding to the issues raised by the audit earlier.

Who is Accountable?

Tashi Dargay, Dzongrab and Pema Wangda, Finance Officer are held accountable.

4.21.8 Malpractices and abuses – Nu. 0.098 million

There were instances of malpractices and abuses amounting to Nu.0.098 million in the Dzongkhag as listed below:

Table 4.65 showing malpractices and abuses (Nu.in million)

Sl. No.	IR No. & Date	Amount	Who are Accountable?
1	IR/RAA-04/Report-02/2005-06/8175 dated 29.12.2005	0.037	Sherab Singye, Electrical Engineer
2	-do-	0.037	Sherab Singye, Electrical Engineer and Tashi, Site Engineer
3	-do-	0.024	Tshering Gyelpo, Junior Engineer
Total		0.098	

- ✚ M/s Druk Khenphen Construction, Thimphu Contractor of Toewang Gup office had been paid Nu. 0.037 million for items of electrical works not actually executed;
- ✚ M/s R.D Construction, Punakha Contractor of Talo Gup office had been paid Nu.0.037 million for items of works not actually executed; and
- ✚ M/s Dangkop Construction, Punakha Contractor of work of drainage at Khuruthang had been paid Nu.0.024 million for items of works not actually executed.

4.22 Dzongkhag Administration, Haa

The Royal Audit Authority during the year 2005 had issued 1 report pertaining to the Dzongkhag Administration, Haa. The total significant irregularities pointed out in the Dzogkhag amounted to Nu. 0.322 million as summarised below:

Table 4.66 showing the observations in brief with category code and amount involved (Nu. in million)

Sl. No.	Observation in brief	Amount	Category code
1.	Malpractices & abuses	0.053	1.2
2.	Non/Short deductions	0.069	5.11
3.	Violation of procurement norms	0.075	4.4
4.	Irregularities in recoveries	0.125	3.4
Total		0.322	

As noted from the above table major irregularities pertained to irregularities in recoveries, violation of procurement norms while there were a few instances of non/short deductions and malpractices and abuses. The detailed reports of significant irregularities are presented hereunder:

4.22.1 Malpractices & abuses -Nu.0.053 million

The work of stone back filling of the Gabion Wall along the Katsho Stream was awarded to M/s Rinchen Khandu Construction, Haa. On physical verification it was found that the work was not executed while the payment of Nu.0.053 million for the same had been released.

Who is Accountable?

M.B. Mongar, DE and Mahindra Rai, Site Engineer are held accountable.

4.22.2 Non/Short deduction -Nu.0.069 million

The construction of Breast Wall amounting to Nu. 0.167 million was awarded to the contractor in addition to the construction of the urban road. However, the payment vouchers revealed that the payment was made without deducting the rebate offered by the contractor amounting to Nu.0.069 million.

Who is Accountable?

M.B Mongar, DE and Mahindra Rai, Site Engineer are held accountable.

4.22.3 Violation of procurement norms -Nu. 0.075 million

The Construction of Water Bound Macadam works of the Urban Road was delayed by 227 days. After allowing 169 days delay for various reasons recorded in the hindrance register, non deduction of liquidated damages for the remaining 58 days amounting to Nu.0.075 million was not found justified.

Who is Accountable?

M.B Mongar, DE and Mahindra Rai, Site Engineer are held accountable.

4.22.4 Irregularities in recoveries -Nu. 0.125 million

The Dzongkhag Administration, Haa had instances of irregularities in recoveries of Nu.0.125 million as summarized below:

Table 4.67 showing irregularities in recoveries (Nu.in million)

Sl. No.	IR No & Date	Amount	Who are Accountable?
1	IR(DSA-GG)Haa/2005/7331 dated 18/10/05	0.020	<i>Karma Thinley, former Principal</i>
2	-do-	0.105	<i>Dechen Wangmo, DCFO</i>
Total		0.125	

✚ A sum of Nu.0.020 million was paid as advance to the proprietor of M/s Rigsar Press, Thimphu for providing quality magazines from the School Development Fund account. The school had neither received the magazines nor was the sum refunded even after a lapse of two years; and

- A total of Nu.0.147 million was lying outstanding as of 30th June 2005, out of which Nu.0.042 million was adjusted and transferred to the Ministry of Agriculture leaving a balance of Nu.0.105 million.

4.23 Dzongkhag Administration, Zhemgang

The Royal Audit Authority during the year had issued 1 report of the Dzongkhag Administration, Zhemgang. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 1.815 million as summarised below:

Table 4.68 showing the observations in brief with category code and amount involved (Nu. in million)

Sl. No.	Observations in brief	Amount	Category code
1.	Violation of procurement norms	0.063	4.4
2.	Over/ inadmissible/ irregular/ double payments	0.021	5.1
3.	Irregularities in advances	1.731	5.6
4.	Irregularities on property management	0	5.9
5.	Malpractices and abuses	0	1.2
Total		1.815	

As noted from the above table major irregularities pertained to advances while there were few instances of violation of procurement norms. The detailed reports of significant irregularities are presented hereunder:

4.23.1 Violation of procurement norms – Nu. 0.063 million

The Dzongkhag Administration, Zhemgang had instances of violation of procurement norms valuing Nu.0.063 million as summarized below:

Table 4.69 showing violation of procurement norms (Nu.in million)

Sl. No.	IR No & Date	Amount	Who are Accountable?
1	IR(39)BT/ZAD/2003-04/2413 dated 01.09.05	0.022	Pema Jungney, Dzongrab and K.D. Gyeltshen, Store Officer
2		0.041	Pema Jungney, Dzongrab and K.D. Gyeltshen, Store Officer
Total		0.063	

- The Dzongkhag Administration, Zhemgang had not levied liquidated damages of Nu.0.022 million for the failure of suppliers to supply materials within the stipulated time; and
- The Dzongkhag Administration, Zhemgang had procured materials worth Nu.0.772 million from the Geog LC. However, the liquidated damages of

Nu.0.041 million had not been levied on the suppliers for the delayed supply of materials.

4.23.2 *Over/ inadmissible/ irregular/ double payments – Nu.0.021 million*

M/s Sanga Cement Agent, Zhemgang was paid excess amount of Nu.0.021 million against the supply of cement during the financial year 2003-04.

Who is Accountable?

K.D. Gyeltshen, Store Officer is held accountable.

4.23.3 *Irregularities in advances – Nu.1.731 million*

The Dzongkhag Administration, Zhemgang had outstanding advances of Nu.2.222 million lying against various individuals and contractors. The advances were given prior to the close of the financial year 2003-04.

The Dzongkhag administration had informed that they had recovered Nu.0.491 million leaving a balance of Nu.1.731 million.

Who is Accountable?

Pema Jungney, Dzongrab and Jigme Namgyal, Finance Officer are held accountable.

4.23.4 *Irregularities on property management*

The Bhutan Urban Development Project under the World Bank had supplied one Cesspool vacuum tanker truck valued at 0.896 million to the Dzongkhag Administration, Zhemgang on 7th January 2002 with the objectives of cleaning the septic tanks in the Dzongkhag. On verification of the log book, the audit had noted that the vehicle was lying off road since 18.09.02.

Who is Accountable?

B.B. Mongar, Project Engineer is held accountable.

4.23.5 *Malpractices and abuses – Nu. 0.023 million*

An amount of Nu.0.047 million was paid to Karma Chogyal, MRT on account of wages of skilled laborers for the construction of Out Reach Clinic at Kamati under Bjoka Geog, Dzongkhag Administration, Zhemgang. However, on enquiry from the labourers, it was found that only the amount of Nu.0.024 million was received by them. The balance amount of Nu.0.023 million was not paid to the labourers even after ten months.

The amount was subsequently deposited into Audit recoveries Account. The administrative action against the defaulting official is awaited.

Who is Accountable?

Sangye Thinley, Dzongdag is held responsible to take administrative action.

4.24 Dzongkhag Administration, Monggar

The Royal Audit Authority during the year had issued 1 report of the Dzongkhag Administration, Monggar. The total significant irregularities pointed out in the Dzongkhag amounted to Nu. 1.955 million as summarised below:

Table 4.70 showing the observations in brief with category code and amount involved (Nu. in million)

Sl. No.	Observations in brief	Amount	Category code
1.	Irregularities in advances	1.869	5.6
2.	Misappropriation	0.036	2.1
3.	Mismanagement of revenue and taxes	0.050	3.4
Total		1.955	

As noted from the above table major irregularities pertained to advances, while there were cases of misappropriation and mismanagement of revenue and taxes. The detailed reports of significant irregularities are presented hereunder

4.24.1 Irregularities in advances – Nu. 1.869 million

The Dzongkhag Administration, Monggar had outstanding advances of Nu.2.378 million against the employees, contractors and suppliers. Most advances pertained to the financial years 2000-01 and 2001-02. Subsequently, the amount of Nu.0.509 million had been adjusted and recovered leaving a balance of 1.869 million.

Who is Accountable?

Tappo, Dzongrab and Loknath Dahal, Finance Officer are held accountable

4.24.2 Misappropriation – Nu. 0.036 million

The cash balance of Nu. 0.036 million pertaining to the School Development Fund was not handed over by the former head teacher Chimi Dorji to the present head teacher of Kurichu Lower Secondary School, Gyelpozing, Monggar.

Who is Accountable?

Chimi Dorji, former head teacher is held Accountable.

4.24.3 Mismanagement of revenue and taxes – Nu.0. 050 million

Municipal Taxes of Nu.0.091 million were not collected for the year ending 2004. Subsequently, the Dzongkhag Administration had deposited Nu.0.041 million leaving the balance of Nu.0.050 million.

Who is Accountable?

Tashi Norbu Sherpa, Assistant Engineer is held accountable.

4.25 Dzongkhag Administration, Thimphu

The Royal Audit Authority during the year 2005 had issued 2 Reports pertaining to the Dzongkhag Administration, Thimphu. The total significant irregularities pointed out in the Dzogkhag amounted to Nu.9.631 million as summarised below:

Table 4.71 showing the observations in brief with category code and amount involved (Nu. in million)

Sl. No.	Observations in brief	Amount	Category code
1.	Malpractices & abuses	0.052	1.2
2.	Over/inadmissible/irregular/double payments	0.216	5.1
3.	Violation of accounting norms	1.578	4.3
4.	Irregularities in property management	0.315	5.9
5.	Mismanagement of revenue	0.549	3.4
6.	Irregularities in advances	6.921	5.6
Total		9.631	

As noted from the above table major irregularities pertained to advances, violation of accounting norms, mismanagement of revenues while there were a few instances of over/inadmissible/irregular payments and irregularities in property management. The detailed reports of significant irregularities are presented hereunder:

4.25.1 Malpractices and abuses -Nu. 0.052 million

The cross verification of specifications provided with that of actual items provided in construction of girls and boys Aqua Privy Toilet at Jigme Namgyel Lower Secondary School showed that the CGI sheets and Ridges provided in construction were of 28 SWG instead of 24 SWG. This had resulted in payment for inferior item amounting to Nu.0.052 million.

Who is Accountable?

Sonam Penjor, Junior Engineer and Kinley Penjor, DE are held accountable.

4.25.2 *Over/inadmissible/irregular/double payments -Nu. 0.216 million*

The Dzongkhag Administration, Thimphu had instances of over/inadmissible/irregular /double payments amounting to Nu.0.216 million as summarized below:

Table 4.72 showing over/inadmissible/irregular/double payments (Nu.in million)

Sl. No.	IR No & Date	Amount	Who are Accountable?
1	IR(DSA-GG) Thimphu/2005/7654 dated 14/11/05	0.076	Ugyen Yangzom, Kushuchen CPS, Sangay Choden, Choden LSS, Sapna Subba, Thinleygang MSS & Tandin Wangdi, Thinleygang MSS and Kinchho Norbu, Sr. Administrative Officer
2	-do-	0.082	Kinchho Norbu, Sr. Administrative Officer
3	-do-	0.058	Yeshey Dorji, Adm. Assistant and Tenzin Gyeltshen, Dzongrab
Total		0.216	

- ✚ In contravention to rules, Dzongkhag Administration, Thimphu had disbursed Nu.0.136 million on account of vacation salary to the teachers. The Dzongkhag Administration had recovered and deposited Nu.0.060 million in RAA leaving a balance of Nu.0.076 million;
- ✚ In contravention to the rules, leaves were credited to the officials on probation and a total of Nu. 0.194 million were disbursed as leave encashment during the two fiscal years. The administration had subsequently deposited Nu.0.112 million in RAA leaving a balance of Nu.0.082 million; and
- ✚ The payments of overtime allowance for the financial year 2003-04 and 2004-05 for the National Work Force employed in TMD revealed cases where payments were made to individuals who were not listed in the appointment orders. The names were not even found recorded in the monthly pay rolls. Further, some workers had used the thumb impressions to claim the overtime allowance while they had signed to draw their monthly salary. The total payment amounted to Nu. 0.058 million.

4.25.3 *Violation of accounting norms -Nu. 1.578 million*

An amount of Nu.12.159 million was paid based on abstract of goods issued statement sent through fax by the Administrative Officer of Education Central Stores, Phuentsholing. Original bills and receipts were not enclosed and the abstract was also not verified by the DEO/Head of schools. Out of which Nu.10.580 million was adjusted leaving a balance of Nu.1.578 million.

Who is Accountable?

Payment of such nature was in violation of accounting norms. Sonam Tshering, DEO and D.K. Rai Finance Officer are held accountable.

4.25.4 Irregularities in property management -Nu. 0.315 million

The Tashichhodzong Maintenance Division had procured 96,974kgs of cold twisted deformed steel bars at a total cost of Nu.1.989 million. On joint physical verification, only 81,600.49 kgs of cold twisted deformed bars were available at the site resulting into shortage of 15,373.51kgs valuing Nu.0.315 million.

Who is Accountable?

Karma Tenzin, JE and Tenzin Gyeltshen, Dzongrab are held accountable.

4.25.5 Mismanagement of revenues -Nu. 0.549 million

The Sale Proceeds of cement amounting to Nu.0.549 million (Nu.0.077 million from M/s USD Construction and Nu.0.471 million from M/s Druk Penden Cement) was not realized.

Who is Accountable?

Karma Tenzin, JE and Tenzin Gyeltshen, Dzongrab are held accountable.

4.25.6 Irregularities in advances -Nu. 6.921 million

The Dzongkhag Administration, Thimphu had an outstanding balance of Nu.10.147 million. Subsequently adjustment/deposit of Nu.3.226 million was indicated leaving a balance of Nu. 6.921 million.

Who is Accountable?

Dophu Reddy, Dzongrab and D.K. Rai, Finance Officer are held accountable for the financial year 2003-2005 and Dasho Sherap Gyeltshen and D.K.Rai are held accountable for earlier advances.

4.26 Dzongkhag Administration, Lhuentse

The Royal Audit Authority during the year had issued 1 report pertaining to the Dzongkhag Administration, Lhuentse. The total significant irregularities pointed out in the Dzongkhag amounted to Nu.2.218 million as summarised below:

Table 4.73 showing the observations in brief with category code and amount involved (Nu. in million)

Sl. No.	Observation in brief	Amount	Category code
1.	Over/Inadmissible/Irregular/Double payments	0.186	5.1
2.	Irregularities in advances	2.032	5.6
Total		2.218	

As noted from the above table major irregularities pertained to advances while there were a few instances of over/inadmissible/ irregular payments. The detailed reports of significant irregularities are presented hereunder

4.26.1 Over/Inadmissible/Irregular/Double payments -Nu. 0.186 million

The Dzongkhag Administration, Lhuentse had instances of Over / Inadmissible / Irregular /Double payments amounting to Nu.0.186 million as summarized below:

Table 4.74 showing Over/Inadmissible/Irregular/Double payments (Nu.in million)

Sl. No.	IR No. & Date	Amount	Who are Accountable?
1	GG/OAAG-BT/IR(12)2005/4503 dated 09/03/05	0.155	Rinchen Leyda, JE and BP Adhikari, Officiating DAO
2	-do-	0.031	Phunstho Wangdi, AFO
Total		0.186	

- ✚ The Dzongkhag Administration had hired an excavator and a compressor while constructing the farm road at Minjey. The cross verification of the payment of hire charges with the machines' Log Books showed an excess payment of Nu.0.155 million; and
- ✚ The Dzongkhag Administration had paid LTC of Nu. 0.045 million to its staff while on probation which was not admissible. Subsequently, Nu. 0.014 million was deposited in to ARA leaving a balance of Nu. 0.031 million.

4.26.2 Irregularities in advances -Nu. 2.032 million

The Dzongkhag Administration had outstanding advances of Nu.2.051 million. Subsequently the administration had deposited Nu.0.019 million in RAA leaving a balance of Nu.2.032 million.

Who is Accountable?

Phunstho Wangdi, AFO is held accountable.