

Ministry of Information & Communications

The Royal Audit Authority during the year 2003 had issued 5 inspection reports of agencies under the Ministry of Information & Communications. The following officials headed the ministry and the departments under it in the first half of the year 2003:

Sl. No.	Name of Office Bearers	Designation
1.	Dasho Leki Dorji	Dy. Minister
2.	Tshering Dorji	Ofttg. Secretary
3.	Kinley D. Dorji	Head, Division of Information Technology
4.	Thinlay Dorji	Director, Bhutan Telecom Authority
5.	Nima Wangdi	Director, Road Safety & Transport Authority
6.	Ugyen Nima	Head, Administration & Finance Division

The following officials headed the ministry and the departments under it in the later half of the year 2003:

Sl. No.	Name of Office Bearers	Designation
1.	Lyonpo Leki Dorji	Minister
2.	Dasho Tashi Phuntshok	Secretary
3.	Rinchen Dorji	Director, Department of Roads
4.	Tenzin Choeda	Director, Department of Information Technology
5.	Pem Tshewang	Head, Administration & Finance Division

The following table exhibits the summary of the findings in a consolidated form:

Table 1.30 showing summary of the observations by category code and the amount involved.

Sl. No.	Observation in brief	Amount (Nu. Million)	%	Category code
1.	Outstanding revenue	3.218	91.71	2
2.	Non-collection of endorsement fees	0.163	4.65	18
3.	Outstanding fines & penalties	0.052	1.48	2
4.	Non-collection of taxes	0.018	0.51	18
5.	Non-accountal of cash	0.041	1.17	16
6.	Under assessment of value of vehicles	0.017	0.48	18
	Total	3.509	100.00	

Major findings:

1. Outstanding revenue - Nu.3.218 million.

A. The Regional Transport Office, Phuentsholing had not collected the amount of Nu. 2.634 million on account of renewal fees of the vehicles for the year 2001 & 2002.

Auditee's response: *The management had submitted that efforts have been made to realize the dues and that dues pertaining to the period prior to FY 1997 is written off by the Ministry of Finance.*

Who is accountable?: *Till the outstanding renewal fee is collected from the defaulters, the Regional Transport Officer is held accountable.*

B.The Regional Transport Office, Samdrup Jongkhar had not collected the motor vehicle fees amounting to Nu. 0.584 million from the various owners/ custodians of the vehicles.

Auditee's response: *This amount pertains to are either disposed off or auctioned vehicle. The RSTA states some vehicles are lying in workshops as scrap and some off road. They have forwarded the case to the HQ and thus decided that the vehicles will be deleted from their records if they fail to renew their documents within six months and that the individuals having such records will not be permitted fresh registration or re-registration unless they clear previous dues with applicable late penalties.*

Who is accountable?: *The RSTA should furnish the current status of renewal fees realized, outstanding and registration cancellations besides taking appropriate measures to ensure timely updating of records and collect the renewal fees on time in future.*

2. Non collection of endorsement fees - Nu.0.163 million.

The Regional Transport Office, Phuentsholing had not collected the endorsement fees of Nu. 0.163 million from M/s Hindustan Construction Company & M/s Jaiprakash Industries for the fiscal years 2001-2002 & 2002-2003.

Auditee's response: *The management had intimated the RAA that it has followed up with the HQ and received the instruction to collect the existing rate of Nu. 850.00 per month.*

Who is Accountable?: *Till the full amount is deposited into Audit Recoveries Account, the Regional Transport Officer is held accountable. The matter if not expedited will also draw commercial interest.*

3. Outstanding fines & penalties - Nu.0.052 million.

The Regional Transport Office, Phuentsholing had not collected fines and penalties amounting to Nu. 0.052 million. Besides, the documents seized from the defaulters were also not available for verification.

Auditee's response: *The management had informed the RAA that documents seized from the defaulter are now available for verification and that a sum of Nu.0.037 million have been realized leaving a balance of Nu.0.012 million*

Who is accountable?: *Till the amount is fully collected and deposited into Audit Recoveries Account, the Regional Transport Officer is held accountable. The amount stated to have realized will be verified.*

4. Non collection of tax - Nu. 0.018 million.

The Regional Transport Office, Thimphu had not collected the transfer tax of Nu. 0.018 million on account of ownership transfer of the TATA Indica Diesel DLX.

Auditee's response: *We have contacted the buyer of the car to confirm and deposit the transfer taxes without further delay.*

Who is accountable?: *Till the amount is recovered, the Regional Transport Officer is held accountable.*

5. Non accountal of cash - Nu.0.041 million.

On review of the cash book, it was noticed that the Road Safety and Transport Authority, HQ had not recorded the cash receipt of Nu. 0.041 million. The total of receipts in the cash book was wrongly computed as 3.136 million as against the actual total of Nu.3.176 million.

Auditee's response: *The management had informed the RAA that it was not the case of misuse and that ledgers have been updated & differences reconciled..*

Who is accountable?: *The finance officer is held accountable till the fact is confirmed and endorsed by the Ministry.*

6. Under assessment of value of vehicles - Nu.0.017 million.

It was noted that the Regional Transport Office had under-assessed the value of vehicle to the tune of Nu. 0.017 million for the purpose of charging 5% transfer tax. As per the Road Safety and Transport Regulation 1999, the authority shall apply depreciation on the basis of diminishing method to arrive at the current value of the

vehicle. However, it was noticed that the assessments were done simply inspecting without actually carrying out detail investigations as required.

***Auditee's
response:***

The RTO had stated that the ownership transfer is done openly and fairly within the system. As the price differs from time to time and model to model, the uniformity in assessment cannot be the same. However, they take into consideration the revenue generation while working with it and try not to go below the average.

***Who is
accountable?:***

The RSTA is advised to apply standard norms to assess the value of vehicles or revise the standard if not applicable. The accountability to revise the present norm if not applicable is fixed on the Director, RSTA.