

ARMED FORCES

4.11 Royal Bhutan Army

The Royal Audit Authority during the year had issued 5 reports of the Royal Bhutan Army. The total significant irregularities pointed out in the various wings under the Royal Bhutan Army amounted to Nu. 6.126 million as summarised below:

Table 4.32 showing the summary of the observations by category code and the amount involved (Nu. in million)

Sl. No.	Observations in brief	Amount	Category code
1	Misappropriation	0.061	2.1
2	Short/non accountal	0.043	2.3
3	Over/Inadmissible/Irregular/Double payments	0.872	5.1
4	Non/Short deductions	2.362	5.11
5	Irregularities in advances	0.101	5.6
6	Violation of accounting norms	0.667	4.3
7	Violation of procurement norms	1.866	4.4
8	Non/Improper recording in books	0.154	5.4
Total		6.126	

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

4.11.1 *Misappropriation - Nu. 0.061 million*

The following wings of Royal Bhutan Army had misappropriation cases involving Nu. 0.061 million as shown below.

Table 4.33 showing misappropriation cases (Nu. in million)

Sl. No.	Wings/locations	Amount	IR No. & date	Who are Accountable?
1	MTC & Wing VI W/Phodrang	0.029	IR/RAA-04/Report- 44/2005-06/137 of 13.9.05	Major D. S. Wakley
2	MTC & Wing VI W/Phodrang	0.032	IR/RAA-04/Report- 44/2005-06/137 of 13.9.05	Major Goem Thinley, Adjutant
Total		0.061		

✚ The out going officer in-charge Maj. D.S. Wakley had not handed over the balance fund of Nu. 0.029 million to the incoming officer in-charge Major Goem Thinley; and

- Verification of the various documents and cash balance of MTC & Wing VI Wangdue Phodrang revealed that there was a cash shortage of Nu. 0.032 million.

4.11.2 *Non/Short accountal - Nu. 0.043 million*

Amounts received from the RBA HQ for the troops @ Nu. 25.00 per head for celebrating three auspicious occasions aggregating to Nu. 0.043 million was found not accounted for in any of the cash registers maintained by Wing XVI, without which its proper utilization could not be ascertained.

Who is Accountable?

Lt. Col. S.L.Chencho, Commander is held Accountable.

4.11.3 *Over/Inadmissible/Irregular/Double payments - Nu. 0.872 million*

The following Wings under the Royal Bhutan Army had instances of over/irregular/ inadmissible payments.

Table 4.34 showing over/inadmissible/irregular/double payments (Nu.in million)

Sl. No.	Wings/locations	Amount	IR No. & date	Who are Accountable
1	Wing XVI, Gelephu	0.029	IR/RAA-04/Report-50/2005-06/219 of 21.10.05	<i>Lt. Col. SL Chencho, Commander</i>
2	Wing XVI, Gelephu	0.563	IR/RAA-04/Report-50/2005-06/219 of 21.10.05	<i>Lt. Col. SL Chencho, Commander</i>
3	Wing IX, Gelephu	0.028	IR/RAA-04/Report-72/2005-06/220 of 21.10.05	<i>Major Dorji Gyeltshen, Adm. Officer</i>
4	MTC & Wing VI W/Phodrang	0.252	IR/RAA-04/Report-44/2005-06/137 of 13.09.05	<i>Lt. Col. Dorji Khandu, Personnel Officer</i>
Total		0.872		

- Wing XVI had procured firewood at the higher rate of Nu. 270.00 per m3 against the lowest quoted rate of Nu.260.00 per m3 resulting into excess payment of Nu. 0.029 million;
- Wing XVI had paid a sum of Nu. 0.563 million to the officers/troops as DA for one month on their transfer to the wing from different locations which is not covered under by the rules;
- Wing IX had procured firewood at the higher rate of Nu. 270.00 per m3 against the lowest quoted rate of Nu. 260.00 per m3 resulting into excess payment of Nu. 0.028 million; and

- The MTC & Wing VI had paid TA/DA to the officers/troops amounting to Nu. 0.252 million for the visits made to the locations under the same area of responsibility which was not admissible.

4.11.4 *Non/Short deductions-Nu. 2.362 million*

The following Wings of Royal Bhutan Army had not deducted 1% health contribution from pay bills of officers/staff for the last two financial years amounting to Nu. 2.362 million.

Table 4.35 showing non deduction of Health Contribution (Nu.in million)

Sl.No	Wings/locations	Amount	IR No. & date	Who are Accountable
1	Wing XVI, Gelephu	0.549	IR/RAA-04/Report-50/ 2005-06/219 of 21.10.05	Lt. Col. Dorji Khandu, Personnel Officer
2	CHQ & Wing IX, Gelephu	0.827	IR/RAA-04/Report-72/ 2005-06/220 of 21.10.05	Lt. Col. Dorji Khandu, Personnel Officer
3	Wing XII, W/Phodrang	0.423	IR/RAA-04/Report-71/ 2005-06/130 of 12.09.05	Lt. Col. Dorji Khandu, Personnel Officer
4	MTC & Wing VI, W/Phodrang	0.563	IR/RAA-04/Report-44/ 2005-06/137 of 13.09.05	Lt. Col. Dorji Khandu, Personnel Officer
Total		2.362		

4.11.5 *Irregularities in Advances - Nu. 0.101 million*

The following Wings of Royal Bhutan Army had irregularities in advances as shown in the table below:

Table 4.36 showing irregularities in advances (Nu.in million)

Sl. No.	Wings/locations	Amount	IR No. & date	Who are Accountable?
1	Wing XVI, Gelephu	0.030	IR/RAA-04/Report-50/ 2005-06/219 of 21.10.05	Lt. Col. SL. Chenko, Commander
2	MTC & Wing VI W/Phodrang	0.071	IR/RAA-04/Report-44/ 2005-06/137of 13.9.05	Major Geom Thinley, Adjutant
Total		0.101		

- The Wing Commander had paid an advance of Nu. 0.030 million to the officials of the Wing XVI without booking in the sub-ledger; and
- There was unjustified accumulation of advances amounting to Nu. 0.071 million against the officials, troops, and recruits of MTC & Wing VI.

4.11.6 Violation of accounting norms - Nu. 0.667 million

The Central Head Quarter (CHQ), Wing IX and MTC & Wing VI had violated the accounting norms as shown below:

Table 4.37 showing violation of accounting norms (Nu.in million)

Sl. No.	Wings/locations	Amount	IR No. & date	Who are Accountable?
1	CHQ & Wing IX, Gelephu	0.573	IR/RAA-04/Report-72/2005-06/220 of 21.10.05	Sangay, DCA
2	MTC & Wing VI, W/Phodrang	0.094	IR/RAA-04/Report-44/2005-06/137of 13.9.05	Major D.S. Wakley and Gopa Lhatu Tshering
Total		0.667		

- ✚ The CHQ & Wing IX had surrendered the unspent balance of Nu. 0.573 million to the Defense Accounts Officer, AHQ Lungtenphu. However, the acknowledgement receipts had not been obtained from the AHQ, and
- ✚ The MTC & Wing VI had made payment of Nu. 0.094 million to various parties without bills, receipts, etc.

4.11.7 Violation of procurement norms-Nu. 1.866 million

There were instances of violation of procurement norms in various Wings of the Royal Bhutan Army as shown below:

Table 4.38 showing violation of procurement norms (Nu.in million)

Sl. No.	Wings/locations	Amount	IR No. & date	Who are Accountable?
1	Wing XII, W/Phodrang	0.080	IR/RAA-04/Report-71/ 2005-06/130 of 12.9.05	Major Sonam Dorji, OC, Construction
2	Wing IV, Yonphula	1.786	RAA/OAAG-SJ/RBA-Yonphula (IR-79)2005/3877 of 15.11.05	Lt. Col. Tandin Gyeltshen, and Ugyen Wangdi, JE
Total		1.866		

- ✚ Wing XII had procured construction materials in excess of actual requirement resulting to blockage of fund of Nu. 0.080 million; and
- ✚ Wing IV had paid mobilization advance to the contractor amounting to Nu.1.786 million without obtaining bank guarantee.

4.11.8 Non/Improper recording in books - Nu. 0.154 million

Advances amounting to Nu. 0.154 million paid to officials and other parties were found not accounted in the sub ledger.

Who is Accountable?

Major Goem Thinley and Wangchuk, DCA are held accountable.

4.12 Royal Bhutan Police

The Royal Audit Authority during the year had issued 6 reports of the Royal Bhutan Police. The total significant irregularities pointed out in various Divisions under the Royal Bhutan Police amounted to Nu. 6.036 million as summarised below:

Table 4.39 showing the summary of observations with category code and amount involved (Nu. in million)

Sl. No.	Observations in brief	Amount	Category code
1.	Malpractices and abuses	0.309	1.2
2.	Over/Inadmissible/Irregular/Double payments	0.086	5.1
3.	Non/short deductions	0.956	5.11
4.	Irregularities in Advances	3.230	5.6
5.	Violation of Acts, Directives and Policies	1.455	4.5
	Total	6.036	

As noted from the above table major irregularities pertained to advances, non deduction of health contribution, Violation of Acts, Directives and Policies while there were few instances of malpractices and abuses. The detailed reports of significant irregularities are presented hereunder:

4.12.1 Malpractices and abuses - Nu. 0.309 million

There were instances of malpractices and abuses in various divisions of the Royal Bhutan Police as shown below:

Table 4.40 showing malpractices and abuses (Nu.in million)

Sl. No.	Division	Amount	IR No. & date	Who are Accountable?
1	RBP, Division VIII, S/Jongkhar	0.056	RAA/OAAG-SJ/BBP(IR-83)2005/3838 of 2.11.05	Sangay Regal, JE
2	Police Training Centre, Jigmeling	0.080	IR/RAA-04/report-18/2005-06/336 of 28.12.05	Lt. Col. Tandin Wangdi, Adm. Officer and Sonam Wangdi, Electrical Engineer
3	Division V, Gelephu	0.144	IR/RAA-04/Report-49/2005-06/335 of 28.12.05	Tshering Phuntsho, JE
4	Police Training Centre, Jigmeling,	0.029	IR/RAA-04/Report-18/2005-06/336 of 28.12.05	Lt. Col. Tandin Wangdi, Adm. Officer, Sonam Tenzin, SO, Yeshey Norbu, Electrical Engineer and Sonam Wangdi
	Total	0.309		

- ✚ The contractor had not executed the compound wall construction worth Nu. 0.056 million at Nganglam Police Station. However, the payment had been certified by the site engineer for works not executed;
- ✚ A sum of Nu. 0.080 million was paid to M/s Druk Chapcha Construction for supply of 2 sets of essential spare parts for the diesel generator. However, on verification of documents it was found that the supplier had not supplied the above 2 sets of essential spare parts;
- ✚ On physical verification of one unit officer's quarter at Sarpang, it was found that the works worth Nu.0.144 million were defective and needed to be rectified; and
- ✚ A sum of Nu.0.060 million and Nu.0.039 million were paid to M/s Durga Hardware Electrical. However, on cross-checking of the bills with the store records, the materials worth Nu.0.029 million were found not received by PTC, Jigmeling.

4.12.2 Over/Inadmissible/Irregular/Double payments - Nu.0.086 million

Various Divisions of the Royal Bhutan Police had instances of over/irregular/excess /inadmissible payments as shown in the table below:

Table 4.41 showing over/inadmissible/irregular/double payments (Nu.in million)

Sl. No.	Division	Amount	IR No. & date	Who are Accountable?
1	Division VIII, S/Jongkhar	0.062	RAA/OAAG-SJ/BBP(IR-83) 2005/3838 of 2.11.05	<i>Sangay Regal, JE</i>
2	Division VI, Tsirang	0.024	IR/RAA-04/Report-63/2005-06/265 of 2.11.05	<i>Lt. Col. Tandin Wangdi, Adm. Officer and Major Wangdi Norbu, Pay & Accounts Officer</i>
Total		0.086		

- ✚ The RBP, S/Jongkhar had not deducted the cost of lintel beam pertaining to the brick works of 20 units ORS, 2 units NCO and PS cum lock-up building at Nganglam resulting into an excess payment of Nu. 0.062 million; and
- ✚ The officials and troops of RBP Division VI, Tsirang had claimed TA/DA of Nu.0.024 million for traveling within 10 kilometers from the duty station which was in contravention to the rule.

4.12.3 Non/short deductions-Nu. 0.956 million

There were instances of non deduction of 1% health contribution from pay bills of various Divisions under the Royal Bhutan Police as shown below:

Table 4.42 showing non/short deduction by various Divisions (Nu. in million)

Sl.No	Divisions	Amount	IR No. & date	Who are Accountable?
1	Police Training Centre, Jigmeling	0.152	IR/RAA-04/Report-18/2005-06/336 of 28.12.05	Lt. Col. Tandin Wangdi, Adm. Officer
2	Division V, Gelephu	0.611	IR/RAA-04/Report-49/2005-06/335 of 28.12.05	Lt. Col. Tandin Wangdi, Adm. Officer
3	Division II, Punakha	0.193	IR/RAA-04/Report-51/2005-06/270 of 7.11.05	Lt. Col. Tandin Wangdi, Adm. Officer
Total		0.956		

4.12.4 Irregularities in advances –Nu. 3.230 million

The sub-ledger of RBP, HQ revealed that advances amounting to Nu.5.855 million were lying outstanding as on 30.06.2004 against private parties, officials and agencies. The Administration had indicated the adjustment of Nu.2.625 million leaving a balance of Nu.3.230 million.

Who is Accountable?

Lt. Col. Tandin Wangdi, Adm. Officer and Maj. Wangdi Norbu, PAO are held accountable.

4.12.5 Violation of Acts, Directives and Policies Nu.1.455 million

As per the customs rules and regulations, for every consignment passing through the check post the challans should be produced to the Customs authority. However, the procurement bills and challans of Police uniforms worth Nu.1.455 million neither had vehicle numbers nor custom seals.

Who is Accountable?

Lt. Col. Tandin Wangdi, Adm. Officer is held accountable.