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The Annual Audit Report 2019 has revealed Nu 230M irregularities at Bhutan National Bank Limited (BNBL). This significant irregularity is the highest among banking institutions in the country. The audit report released this week by the Royal Audit Authority (RAA) comes at a time when the Royal Bhutan Police (RBP) is investigating BNBL for a controversial recruitment case in 2017 and 2018 in which 13 among 15 support staff recruited, had submitted forged documents.

The RBP has taken statements from 13 people so far as part of the on-going investigation.

According to the criteria set by the BNBL management, applicants were required to have a class eight qualification with an academic score of 50 percent for 2017 recruitment and 55 percent for 2018 recruitment.

The controversial recruitment case had first come to light during a routine compliance audit in 2019 where one of the focus areas was human resource management. According to the RAA report, the recruitments for support staff were done in April 2017 and February 2018. More than 500 applicants had applied, of which 75 were shortlisted and 15 were recruited. According to the RAA audit report, 13 staff had submitted forged mark sheets at the time of selection while the academic mark sheets of two staff could not be authenticated since the school authorities concerned could not validate their results due to non-availability of records.

Of the 15 staff recruited, four had resigned without service benefits since they were in probation period. Six of the employees who worked for one and a half years were asked to resign with benefits instead of being terminated. Five employees continue to work in the Bank. The RAA had confirmed that three of these employees had also submitted forged documents but no action was taken at the time of audit in August 2019.

The RAA had pointed out that the non-termination of these employees, despite being aware of the deceptive practices, was in contravention of the BNBL Human Resource Policy Manual 2016. However, the management response submitted to RAA by BNBL states that this option was considered on humanitarian grounds as these staffs were at the lowest level.

BBS spoke to some of the ex-employees involved in this case who were retired with benefits after the document forgery. They said they had actually had class XII qualification while the application criteria set was for class VIII. So they increased their class VIII result to fulfill the criteria.

They said they did this because they had been struggling to get jobs. However, they added that they were not influenced by anyone in BNBL and were not aware that others had also manipulated academic documents.

BBS learnt that prior to these recruitments, the qualification criteria for the recruitment of support level staff was class X. In a response written to the Royal Audit Authority, BNBL stated that they will no longer recruit class eight pass candidates and has reverted

to the previous practice of recruiting at class X level candidates as mark sheets can be verified from the Bhutan Board of Examination.

BNBL had paid retirement benefits amounting to over Nu 0.153M for six staff in contravention to the Human Resource Policy Manual 2016. BBS contacted the BNB management for views, however, BNBL management refused to comment citing that the case is currently under investigation.

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