

December 16, 2024

## **RAA reports irregularities worth nearly Nu 4bn in 2023-2024**

**The Royal Audit Authority (RAA) reported irregularities worth almost Nu 4bn in the financial year 2023-2024. This is an increase of nearly a billion ngultrum compared to the previous financial year. This is according to the authority's latest annual report, which was launched today. However, the overall trend over the past four years shows that the trend of irregularities has been reducing.**

The audit findings reported irregularities under three categories that are fraud and corruption, non-compliance to laws, rules and regulations, and shortfalls, lapses and deficiencies.

Fraud and corruption cases accounted for over Nu 15 M, while more than Nu 2.2bn were attributed to non-compliance with laws, rules, and regulations.

Additionally, over Nu 1.7bn of irregularities were reported from shortfalls, lapses, and deficiencies.

Pema Gatshel District Administration had the highest irregularities under the fraud and corruption category, with over Nu 4.7 M, making up around 30 per cent of the total fraud and corruption irregularities.

Samtse District Administration followed, with irregularities amounting to a little over Nu 3.8 M, which accounts for around 25 per cent.

The non-compliance with laws, rules, and regulations category saw the highest irregularities by the Department of Infrastructure Development under the Ministry of Infrastructure and Transport, accounting for roughly Nu 344 M. This is over 15 per cent of the total irregularities in the category.

The State Trading Corporation of Bhutan followed closely with around Nu 328 M, accounting for 14 per cent.

At over 31 per cent, the Punatsangchhu-II Hydroelectric Project saw the highest shortfalls, lapses, and deficiencies, amounting to over Nu 551 M.

It was followed by the State Mining Corporation Limited with almost Nu 497 M, making up almost 28 per cent of shortfalls, lapses, and deficiencies.

During the year, the RAA recovered over Nu 405 M through the audits carried out.

The report reveals that the authority resolved 91 per cent of the total outstanding audit observations, amounting to 7,741 cases, covering financial years from 2010 to 2023.

The annual audit report 2023-2024 has been compiled based on 525 audit reports issued between July last year and June this year.

**Sonam Yuden & Tashi Dekar**