

CHAPTER - IV

TAXES ON VEHICLES

EXECUTIVE SUMMARY

What we have highlighted in this Chapter	<p>In this Chapter we present a few illustrative cases of ₹ 155.58 crore selected from observations noticed during our test-check of records for the year 2011-12 relating to non/short levy, non/short realisation, etc. in the district transport offices, where we found that the provisions of the Acts/Rules/Government notifications were not observed.</p> <p>It is a matter of concern that similar omissions had been pointed out by us repeatedly in the Audit Reports in the past, but the Department did not take corrective action till we pointed these out in audit.</p> <p>We are also concerned that though these omissions were apparent from the records which were made available to us, the District Transport Officers were unable to detect these mistakes in due course.</p>
Increase in tax collection over Budget estimates	<p>In 2011-12, though the collection of taxes on vehicles increased by 5.98 <i>per cent</i> as compared to the budget estimates, the percentage of receipt from taxes on vehicles in the total tax receipt of the State decreased marginally over the previous year.</p>
Very low recovery by the Department in respect of observations pointed out by us in earlier years	<p>During the period 2006-07 to 2010-11, we had pointed out non/short levy, non/short realisation, loss of revenue etc., with revenue implication of ₹ 612.03 crore in 1,100 cases in respect of taxes on vehicles. Of these, the Department/Government had accepted audit observations in 900 cases involving ₹ 488.13 crore and had since recovered ₹ 1.35 crore. This low recovery of ₹ 1.35 crore (0.28 <i>per cent</i>) against accepted cases involving ₹ 488.13 crore indicates lack of promptness on the part of the Government/Department in recovering the Government dues.</p>
Results of audit conducted of the units for the year 2011-12	<p>In the course of audit of records of 34 units relating to taxes on vehicles for the year 2011-12, we found non/short levy, non/short realisation, loss of revenue and other irregularities involving ₹ 170.37 crore in 220 cases.</p> <p>The Department accepted non/short levy, non/short realisation, loss of revenue and other deficiencies of ₹ 28.61 crore in 58 cases, of which nine cases involving ₹ 1.53 crore were pointed out during 2011-12 and the rest in earlier years.</p>
Our conclusion	<p>The Department needs to improve the internal control system so that weaknesses in the system are addressed and omissions detected by us are avoided in future.</p> <p>It also needs to take appropriate steps to recover the amount involved at least in accepted cases.</p>

CHAPTER-IV: TAXES ON VEHICLES

4.1.1 Tax administration

The levy and collection of taxes on vehicles in the State is governed by the provisions of Motor Vehicles (MV) Act, 1988; Central Motor Vehicles (CMV) Rules, 1989 and the Bihar Motor Vehicle Taxation (BMVT) Act and Rules, 1994. It is administered by the Principal Secretary, Transport Department at the Government level and by the State Transport Commissioner (STC) at the apex level of the Department. In performance of his duties, the STC is assisted by two Joint State Transport Commissioners at the headquarters. The State is divided into nine¹ regions and 38 districts which are controlled by the Secretaries of the Regional Transport Authorities and the District Transport Officers (DTOs) respectively. They are assisted by Motor Vehicle Inspectors (MVIs) in discharging their duties.

4.1.2 Trend of receipts

The variation between the budget estimates (BEs) and the actual receipts from taxes on vehicles during the period 2007-08 to 2011-12 along with the total tax receipts during the same period is mentioned below:

(₹ in crore)

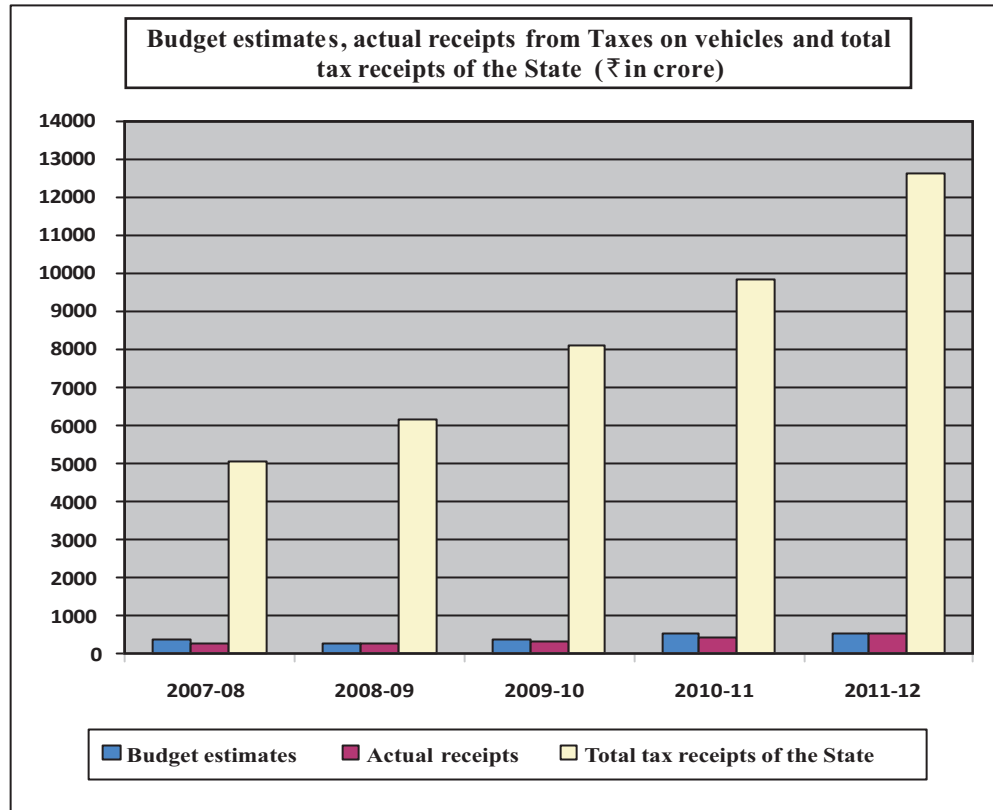
Year	Budget estimates	Actual receipts	Variation excess (+)/ shortfall (-)	Percentage of variation	Total tax receipts of the State	Percentage of actual receipts (col.-3) vis-a-vis total tax receipts (col.-6)
1	2	3	4	5	6	7
2007-08	375.00	273.21	(-) 101.79	(-) 27.14	5,085.53	5.37
2008-09	256.60	297.74	(+) 41.14	(+) 16.03	6,172.74	4.82
2009-10	355.00	345.13	(-) 9.87	(-) 2.78	8,089.67	4.27
2010-11	550.00	455.43	(-) 94.57	(-) 17.19	9,869.85	4.61
2011-12	537.00	569.13	(+) 32.13	(+) 5.98	12,612.10	4.51

(Source: Revenue and Capital Receipt, (Detail): Finance Accounts, Government of Bihar)

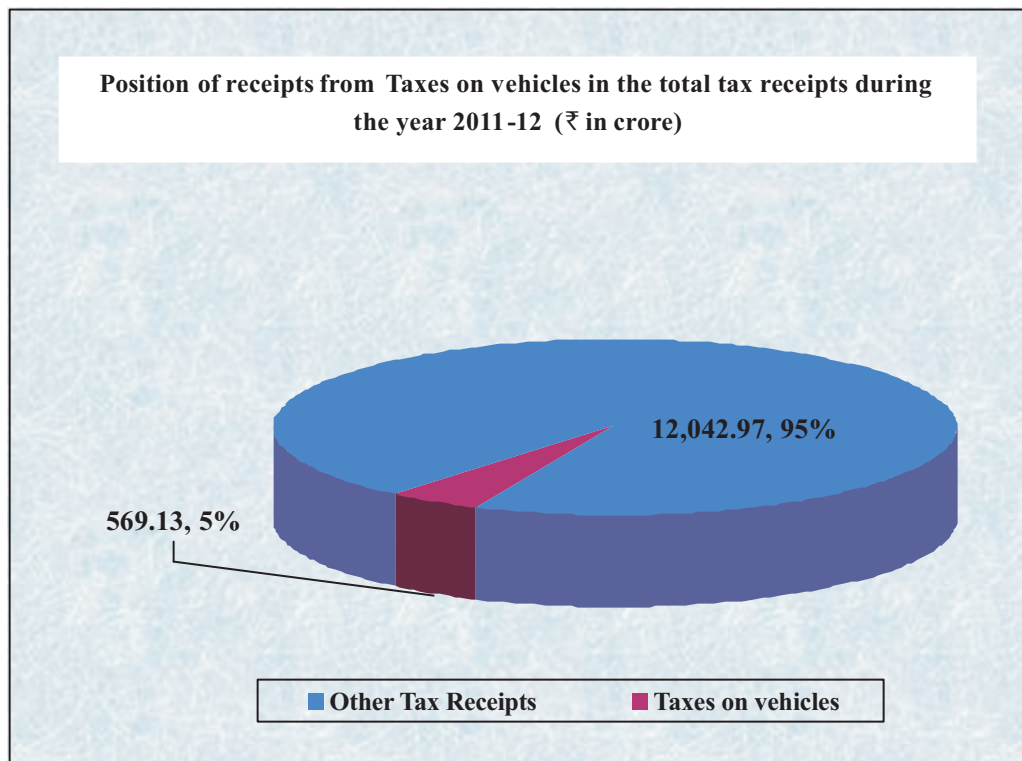
The above table indicates that in 2011-12, though the collection of taxes on vehicles increased by 5.98 *per cent* as compared to the budget estimates, the percentage of receipt from in the total tax receipt of the State decreased over the previous year.

The trend of actual receipts vis-à-vis the estimated receipts of taxes on vehicles and total tax receipts are depicted in the following bar diagram:

¹ Bhagalpur, Darbhanga, Gaya, Katihar, Madhubani, Muzaffarpur, Patna, Purnea and Vaishali.



The following chart depicts the contribution of taxes on vehicles to the total tax receipts (₹ 12,612.10 crore) of the State during 2011-12.



4.1.3 Cost of collection

The gross collection of taxes on vehicles receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the years 2007-08 to 2011-12 along with the all-India average percentage of expenditure on collection to gross collections for the relevant previous years are mentioned below:

(₹ in crore)

Year	Gross collection	Expenditure on collection	Percentage of expenditure to gross collection	All India average percentage for the previous year
2007-08	273.21	5.96	2.18	2.47
2008-09	297.74	6.95	2.33	2.58
2009-10	345.13	10.41	3.02	2.93
2010-11	455.43	16.92	3.72	3.07
2011-12	569.13	22.31	3.92	3.71

The above table indicates that during the years 2009-12, the percentage of expenditure on collection was more than the all-India average percentage for the previous year.

The Government needs to take appropriate measures to keep the percentage of expenditure on collection below the all India average in the coming years.

4.1.4 Impact of audit

Revenue impact

During the period from 2006-07 to 2010-11, we had pointed out in our inspection reports cases of non/short levy, non/short realisation, loss of revenue etc., with revenue implication of ₹ 612.03 crore in 1,100 cases. Of these, the Department/ Government had accepted audit observations in 900 cases involving ₹ 488.13 crore and had since recovered ₹ 1.35 crore. The details are shown in the following table:

(₹ in crore)

Year	No. of units audited	Pointed out		Accepted		Recovered	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
2006-07	47	172	41.63	116	28.49	Nil	Nil
2007-08	47	201	141.29	215	142.94	5	0.37
2008-09	46	218	155.98	210	96.04	4	0.98
2009-10	38	310	253.13	295	201.23	Nil	Nil
2010-11	48	199	20.00	64	19.43	Nil	Nil
Total	226	1,100	612.03	900	488.13	9	1.35

The low recovery of ₹ 1.35 crore (0.28 per cent) against the accepted cases involving ₹ 488.13 crore indicates lack of promptness on the part of the Government/Department in realising the Government dues.

We recommend that the Government may take appropriate steps to recover the amounts involved, at least in accepted cases.

4.1.5 Working of internal audit wing

There is an internal audit wing called Finance (Audit) which works under the Finance Department and internal audit of the different offices of the Government is conducted on the basis of requisitions received from the Administrative Department. The Department did not furnish further information regarding the number of offices due for audit, audit conducted, number of observations issued and amount involved to us.

4.1.6 Results of audit

In the course of audit of records of 34 units relating to taxes on vehicles for the year 2011-12, we found non/short levy, non/short realisation, loss of revenue and other irregularities involving ₹ 170.37 crore in 220 cases which fall under the following categories:

(₹ in crore)			
Sl. No.	Categories	No. of cases	Amount
1	Non/short levy of taxes	46	13.02
2	Non-realisation of principal and interest	1	149.51
3	Non/short realisation of trade tax	23	1.59
4	Loss of revenue due to non-renewal of driving licence in Form – 7	11	1.83
5	Loss of revenue due to non-realisation of one time tax from tractor/ trailers	20	1.29
6	Loss of revenue due to non-realisation of one time tax from three wheelers	21	1.07
7	Loss of revenue due to non-renewal of registration of personalised vehicles	15	0.28
8	Loss of revenue due to irregular issue of Tax Token	2	0.23
9	Loss of revenue due to irregular issue of driving licence to drive transport vehicles	8	0.08
10	Non-realisation of tax from vehicles involved in surrender	4	0.08
11	Other cases	69	1.39
Total		220	170.37

During 2011-12, the Department accepted non/short levy, non/short realisation, loss of revenue and other deficiencies of ₹ 28.61 crore in 58 cases, of which nine cases involving ₹ 1.53 crore were pointed out during the course of the year and the rest in earlier years. The Department reported recovery of ₹ 11,000 in one case which was pointed out during the year 2010-11.

A few illustrative cases involving tax effect of ₹ 155.58 crore are mentioned in the following paragraphs.

4.2 Non-compliance of the provisions of the Acts/Rules

The provisions of the Bihar Motor Vehicles Taxation (BMVT) Act, 1994, Motor Vehicles (MV) Act, 1988 and Rules made thereunder require levy and payment of:

- taxes on vehicles/additional tax by the vehicle owners at the appropriate rates;
- tax/additional tax in advance and within the prescribe period and
- penalty up to double the tax, if the tax is not paid within 90 days.

Non-compliance of the provisions of the Acts/Rules in some cases as mentioned in paragraphs 4.3 to 4.11 resulted in non/short levy, non/short realisation of tax etc. of ₹ 155.58crore.

4.3 Non-realisation of taxes on vehicles

Under Section 5 and 9 of the Bihar Motor Vehicle Taxation (BMVT) Act, 1994, tax on vehicles is to be paid to the taxing officer in whose jurisdiction the vehicle is registered. The vehicle owner can pay the tax to the new taxing officer in case of change of residence/business, subject to the production of No Objection Certificate (NOC) from the previous taxing officer. Further, the taxing officer may exempt the vehicle owner from payment of tax, if he is satisfied that the prescribed conditions have been fulfilled by the vehicle owner. The District Transport Officers (DTOs) are required to issue notice of demands to ensure timely realisation of tax. Non-payment of tax beyond 90 days attracts penalty at the rate of 200 per cent of the tax due. Under Section 22 of the BMVT Act, if the tax or penalty or both has not been paid in accordance with the provisions of the Act, an officer not below the rank of Inspector of Motor Vehicles or any other officer specially authorised by the State Transport Commissioner, may seize the motor vehicles and detain it till the payment of tax.

We observed that the Government/ Department did not install a mechanism for periodic review of the taxation registers by the DTOs and also did not prescribe a time frame within which a notice of demands is to be issued to the defaulting vehicle owners.

During test-check of the taxation registers and the VAHAN² database in nine³ District Transport Offices between December 2011 and June 2012, we observed that though the owners of 517 transport vehicles did not pay tax of ₹ 1.89 crore pertaining to the period between September 2005 and December 2011 within the due dates, yet the DTOs neither seized the defaulting vehicles

nor initiated action towards realisation of the dues from the defaulting vehicle owners. In none of the cases, change of addresses of the owners or surrender

² An application developed for registration of vehicles and road tax clearance.

³ Aurangabad, Begusarai, Bhagalpur, Darbhanga, Motihari, Muzaffarpur, Patna, Purnea and Rohtas.

of documents for securing exemption from payment of tax was found on record. This resulted in non-realisation of tax of ₹ 5.67 crore including maximum penalty of ₹ 3.78 crore (**Annexure-XII**).

After this was pointed out by audit between December 2011 and June 2012, the Government/Department stated in October 2012 that the DTO Bhagalpur had issued (April 2012) notice of demands in all the cases. The replies in respect of the remaining eight DTOs are awaited (January 2013).

4.4 Short realisation of one time tax (OTT) from trailers

Under Section 5 and 7 of BMVT Act, 1994 as amended by Bihar Finance Act, 8 of 2010 (effective from 9 April 2010), a one time tax (OTT) of ₹ 4,000 shall be payable by all trailers upto 3,000 Kgs registered laden weight and ₹ 6,000 shall be payable by all trailers more than 3,000 Kgs registered laden weight used or kept for use for other than agricultural purpose. The OTT payable by trailers already registered shall be calculated after deducting the tax amount already paid. Previously the tax on trailers having laden weight of 5000 kgs was ₹ 600 per quarter (Road Tax: ₹ 240 and Additional Tax: ₹ 360) upto 8 April 2010.

Further, under Rule 4(2) of the BMVT Rules, 1994 non-payment of tax within due date attracts penalty ranging between 25 and 200 *per cent* of the tax due.

During scrutiny of the taxation register and Tax Clearance Table of the VAHAN database in seven⁴ District Transport Offices, we observed between December 2011 and June 2012 that out of 1,449 test-checked trailers, the owners of 405 trailers, which were registered between April 2008 and December 2010, did not pay their OTT at the prescribed rates. The DTOs concerned failed to update the rate in the VAHAN database as per the provisions of Bihar Finance Act, 8 of 2010 and also did not raise demands for the tax due against the defaulters which resulted into short realisation of OTT of ₹ 38.72 lakh including the leviable penalty of ₹ 24.77 lakh.

After this was pointed out by audit between December 2011 and June 2012, the Government/Department stated in October 2012 that DTO Katihar issued (October 2012) notice of demands in all the cases. The replies in respect of the remaining six DTOs are awaited (January 2013).

⁴ Begusarai, Gaya, Katihar, Muzaffarpur, Patna, Rohtas and Saran.

4.5 Non/short realisation of one time tax/penalty from three wheelers

Under Section 5 and 7 of BMVT Act, 1994 as amended by Bihar Finance Act, 8 of 2010 (effective from 9 April 2010), OTT of ₹ 7,500 and ₹ 5,000 for seven and four seated three wheelers vehicles (excluding driver) respectively shall be levied on all three wheelers up to one year of age at the time of registration for a period of ten years from the date of first registration in the State. The OTT payable by three wheelers already registered shall be calculated after deducting the tax amount already paid and no OTT shall be payable if the vehicle has already paid tax more than ₹ 7,500 and ₹ 5,000, as the case may be. Previously the tax on three wheelers was ₹ 248 per quarter (Road Tax: ₹ 88 and Additional Tax: ₹ 160) upto 8 April 2010.

Further, under Rule 4(2) of the BMVT Rules, 1994 non-payment of tax beyond 90 days attracts penalty at the rate of 200 per cent of the tax due.

4.5.1 During scrutiny of the tax statement and Tax Clearance Table of the VAHAN database in nine⁵ District Transport Offices, we observed between December 2011 and June 2012 that out of 2,594 test-checked three-wheelers, the owners of 465 vehicles, which were registered between October 2009 and February 2011, did not pay their OTT at the prescribed rates. The DTOs not only failed to adhere to the provisions of the Act *ibid* but also did not realise the OTT of ₹ 70.59 lakh including the leviable penalty of ₹ 47.06 lakh.

After this was pointed out by audit between December 2011 and June 2012, the Department stated (October 2012) that DTO Katihar had issued (October 2012) notice of demands in all the cases. The replies in respect of the remaining eight DTOs are awaited (January 2013).

4.5.2 During scrutiny of the taxation register and registration register (VAHAN software installed in October 2011 but not updated) in the District Transport Office, Aurangabad we observed in May 2012 that out of 128 test-checked three-wheelers, the owners of 55 vehicles, which were registered between May and November 2010 had paid tax on quarterly basis instead of one time tax. However, the vehicles owners paid the balance of the OTT between January 2011 and February 2012 but the DTO did not realise the penalty for delayed payment of OTT as provided in the Act *ibid*. This resulted in non-realisation of maximum penalty of ₹ 5.06 lakh⁶.

The matter was reported to the Government/Department in August 2012; we are yet to receive their reply (January 2013).

⁵ Aurangabad, Darbhanga, Gaya, Katihar, Motihari, Muzaffarpur, Patna, Rohtas and Saran.

⁶ OTT leviable - ₹ 2,61,648; OTT paid - ₹ 2,65,343; Excess Paid - ₹ 3,695; Penalty leviable - ₹ 5,09,536 - ₹ 3,695 (excess OTT paid) = ₹ 5,05,841

4.6 Short realisation of one time tax from personalised vehicles

Under Section 7 of BMVT Act, 1994 as amended by Bihar Finance Act, 2011 (effective from 1 April 2011), on personalised vehicles, OTT for the whole life of the vehicle at the rate of five *per cent* of the cost of vehicle (excluding sales tax) shall be levied at the time of registration.

5,018 vehicles, which were registered between 2 April 2011 and 17 January 2012, did not pay their OTT at the prescribed rates. Thus, the DTOs could not adhere to the provisions of the Act *ibid* which resulted in short realisation of OTT of ₹ 26.84 lakh.

The matter was reported to the Government/Department between June and July 2012; we are yet to receive their reply (January 2013).

During scrutiny of the taxation register and computerised database in six⁷ District Transport Offices, we observed between February and June 2012 that out of 14,448 test-checked personalised vehicles, the owners of

4.7 Non-renewal of driving licences in Form -7

As per Rule 16 of Central Motor Vehicle Rules, 1989, where the licensing authority has the necessary apparatus for issue of laminated/Smart card type driving licences (DLs) the same shall be issued in Form-7. Further as per Rule 16(3) *ibid*, on and from the date of commencement of this sub-rule (31 May 2002), every driving licence issued or renewed by the licensing authority shall be in Form-7. The State Transport Commissioner (STC) also instructed (February 2009) to issue DLs in smart card.

During test-check of the returns furnished by the DTOs in respect of renewal of non-professional DLs and data of *SARATHI*⁸ software in four⁹ District Transport Offices, we observed between February and April 2012 that out of 49,701 non-professional DLs renewed between April 2010 and March 2012, DLs numbering 48,533 were issued manually in Form 6¹⁰ though the necessary apparatus was available in all District Transport Offices. Thus, due to non-adherence of the provisions of the Rules *ibid*, defeated the purpose to have a National

Register of DLs and to provide valuable data for the Centre and State security agencies.

After this was pointed out by audit between February and April 2012, the Government/Department stated in October 2012 that driving licence in Form-7¹¹ is being issued by DTO Muzaffarpur. The replies in respect of the remaining three DTOs are awaited (January 2013).

⁷ Begusarai, Bhojpur, Darbhanga, Muzaffarpur, Rohtas and Saran .

⁸ An application developed for issue of various licences.

⁹ Begusarai, Gaya, Muzaffarpur and Patna.

¹⁰ Form-6: Driving Licence printed in book form (8x6 cm.) for driving motor vehicles.

¹¹ Form-7: Laminated/Smart card type Driving Licence for driving motor vehicles .

4.8 Irregular issue of tax token

Under the provision of Section 11 and 12 of the BMVT Act and Rules made thereunder, the taxing officer shall grant a receipt and a tax token in prescribed form to every person who pays prescribed tax for the vehicle. Further, the taxing officer shall not accept the tax or penalty, if any, in respect of motor vehicle for the current period unless the arrears of taxes and penalty due have been fully paid. Before issue of tax receipt and tax token, the taxing officer is to satisfy himself that the amount tendered in the payment of tax is equal to the tax payable at the specified rate.

Further, under Rule 4(2) of the BMVT Rules, 1994, non-payment of tax beyond 90 days attracts penalty at the rate of 200 *per cent* of the tax due.

During scrutiny of the taxation register and computerised database in the District Transport Office, Saran, we observed in June 2012 that the taxing authority issued tax tokens for four transport vehicles to vehicle owners by accepting tax for the period from October 2009 to December 2009 without realising the arrear tax and penalties for the period between April 2003 and September 2009, though these were outstanding against them. Issue of tax token without realising outstanding taxes and penalty was in contravention of the provision of the Act and also resulted in short realisation of ₹ 21.94 lakh including penalty of ₹ 14.63 lakh for non-payment of tax.

The matter was reported to the Government/Department in July 2012; we are yet to receive their reply (January 2013).

4.9 Non/short realisation of trade tax from the dealers of motor vehicles

Under Section 6 of the BMVT Act and the Rules framed thereunder, tax at an annual rate as prescribed shall be paid by a manufacturer or a dealer in respect of motor vehicles which are in his possession in course of his business as a manufacturer/dealer. Non-payment of tax within the due date attracts penalty ranging between 25 and 200 *per cent* of the tax due as provided under Section 23 of the Act *ibid* read with Rule 4(2) of the BMVT Rules. Further, the STC instructed all DTOs to initiate legal action for realisation of tax and renewal of trade certificate.

During test-check of the returns furnished by the manufacturers/dealers and the registration registers in seven¹² District Transport Offices, we observed between February and May 2012 that in case of 23 dealers out of 128 dealers of motor vehicles, trade tax at the prescribed rate was either not deposited or deposited short in respect of 33,302 vehicles (29,045 two wheelers and 4,257 three/four wheelers) possessed by them between

¹²

Begusarai, Darbhanga, Gaya, Motihari, Muzaffarpur, Patna and Saran.

the period from April 2008 and February 2012. This resulted in non/short realisation of trade tax of ₹ 17.43 lakh including maximum leviable penalty. Though the DTOs were required to examine the stock register of dealers/manufactures for realisation of trade tax, there was nothing on record to indicate that such examination of records were done by them.

The matter was reported to the Government/Department between May and July 2012; we are yet to receive their reply (January 2013).

4.10 Non-realisation of tax from vehicles involved in surrender

Under Section 17 (1) and 19 of the BMVT Act, and Rules made thereunder, when the owner of a motor vehicle does not intend to use his vehicle for a period of more than one month but not exceeding six months at a time, he can be exempted from the payment of tax by the competent authority provided his claim for exemption is supported by the surrender of the documents for the period of non-use of the vehicle. The vehicle owner shall also from time to time furnish an undertaking to the concerned taxing officer for extension, if any, during the said period. In the absence of any further extension, the vehicle shall, for the purpose of this Act, be deemed to have been used throughout the period without the payment of tax. Accordingly, tax including penalty for non-payment of tax beyond 90 days at the rate of 200 *per cent* of the tax due is leviable.

We observed during test-check of taxation registers and surrender registers in District Transport Offices, Motihari and Patna between February and April 2012 that four vehicles were surrendered between February 2008 and July 2009. But even after the expiry of the prescribed period, the vehicles were kept under surrender without the owner seeking further extension and furnishing fresh undertaking, for non-use of the vehicles

during the period, in contravention of the provision. Thus, the vehicle owners were liable to pay tax and penalty for the period from May 2008 to December 2011. The DTOs, however, did not raise demand against the vehicle owners after the expiry of prescribed surrender period. This resulted in non-realisation of tax of ₹ 5 lakh including maximum penalty of ₹ 3.33 lakh.

The matter was reported to the Government/Department in June 2012; we are yet to receive their reply (January 2013).

4.11 Non-realisation of principal and interest on loans

Under Rule 321 read with Rule 305 of the Bihar Treasury Code, Vol.-1, loans and advances may be drawn and repaid in accordance with such general or special order the Government may issue in each case.

Further, under provisions of Rule 7 of the Bihar Financial Rules, Volume-1, it is the duty of the departmental controlling officers to see that the dues of the Government are correctly and promptly assessed, collected and paid into the treasury.

During test-check of records (Bill book and Contingent register) and loan files in the office of the State Transport Commissioner (STC), Patna we observed in April 2012 that in compliance to the order of the Hon'ble Supreme Court in case of State of Bihar *vrs* Suraj Deo Singh and others (Civil Appeal No. - 7290 of

1994), the Transport Department granted loan ₹ 458.77 crore during the period between 2008-09 and 2011-12 to the Bihar State Road Transport Corporation (BSRTC) for payment of dues to the employees. As per terms and conditions of the sanctioned order, the loans were to be converted into share capital and if it was not converted within a year, the loans would be repaid in 10 equal annual installments with interest and penal interest at the rate of 13 *per cent* and 2.5 *per cent* per annum respectively.

We further observed that neither any action for conversion of loans into share capital was taken up by BSRTC nor any demand for realisation of principal and interest was raised by the Department till date of audit (April 2012). The outstanding principal, interest and penal interest on the loans advanced during the years 2008-09 to 2010-11 was ₹ 148.05 crore as on 31 March 2012 as detailed below:

Bill No./ Year	Amount of loan (₹ in crore)	Date of payment	Due date of installment	Principal due (₹ in crore)	Interest upto 31.3.2012 at the rate of 13 <i>per cent</i> (₹ in crore)	Penal interest upto 31.3.2012 at the rate of 2.5 <i>per cent</i> (₹ in lakh)
296/2008-09	10.00	21.1.2009	21.1.2010	1.00	4.16	5.49
			21.1.2011	1.00		2.99
			21.1.2012	1.00		0.49
58/2009-10	84.75	22.6.2009	22.6.2010	8.475	31.21	38.83
			22.6.2011	8.475		17.65
344/2009-10	121.34	19.2.2010	19.2.2011	12.134	31.98	31.18
			19.2.2011	12.134		0.84
216/2010-11	121.34	11.10.2010	11.10.2011	12.134	23.23	14.35
147/2011-12	121.34	15.7.2011	15.7.2012	-	-	-
Total	458.77			56.352	90.58	111.82 (1.12 crore)

(Source: Bill Book of STC and Sanction orders of the loans)

Thus, due to failure of BSRTC in converting the loans into share capital (as intimated in August 2012) as well as non-raising of demands by the Department for realisation of principal and interest on loans granted during the period 2008-09 to 2010-11, an amount of ₹ 148.05 crore was not realised.

After this was pointed out in Audit, the STC had requested (May 2012) BSRTC for payment of principal and interest. We are yet to receive the report on recovery of the Government dues (January 2013).

The matter was reported to the Government/Department in July 2012; we are yet to receive their reply (January 2013).

