SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Report of the Comptroller and Auditor General of India on Compliance Audit (Revenue) for the year ended 31 March 2024

Government of Jharkhand

Report No. 1 of 2026

(Compliance Audit-Revenue)

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PREFACE

PREFACE

This Report for the year ended March 2024 has been prepared for submission to the Governor of Jharkhand under Article 151 of the Constitution of India.

The Report contains significant results of audit of selected departments of the Government of Jharkhand including the Department of Transport and the State Excise Department.

The instances mentioned in this Report are those which came to notice in the course of test audit for the period 2023-24, as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2023-24 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards and Regulations on Audit and Accounts issued by the Comptroller and Auditor General of India.

CHAPTER-I

OVERVIEW

CHAPTER – I: OVERVIEW

1.1 Introduction

This Report covers matters arising out of the Compliance Audit of some State Government departments. The primary purpose of this Report is to bring to the notice of the Legislature, the important results of audit. Findings of audit are to enable the Executive to take corrective action, as also to frame policies and directives that will lead to improved financial management of organisations, contributing to better governance.

This Report has been organised in two chapters, as under:

- **Chapter 1** contains the overview of the trend of revenue raised by the Government of Jharkhand, arrears of taxes pending collection against the backdrop of audit findings, response of the Government to Compliance Audits, follow-up action on Audit Reports *etc*., and significant audit observations included in this Audit Report.
- **Chapter 2** contains observations relating to the Subject Specific Compliance Audit on 'Functioning of State Transport Authority/Regional Transport Authorities/District Transport Offices in Jharkhand' and two paragraphs relating to the Excise and Prohibition Department.

1.2 Trend of receipts

1.2.1 The tax and non-tax revenue raised by the Government of Jharkhand, the State's share of net proceeds of divisible Union taxes and duties assigned to States and grants-in-aid received from the Government of India during 2023-24 and the corresponding figures for the preceding four years, are presented in **Table-1.1**.

Table-1.1
Trend of revenue receipts

(₹ in crore)

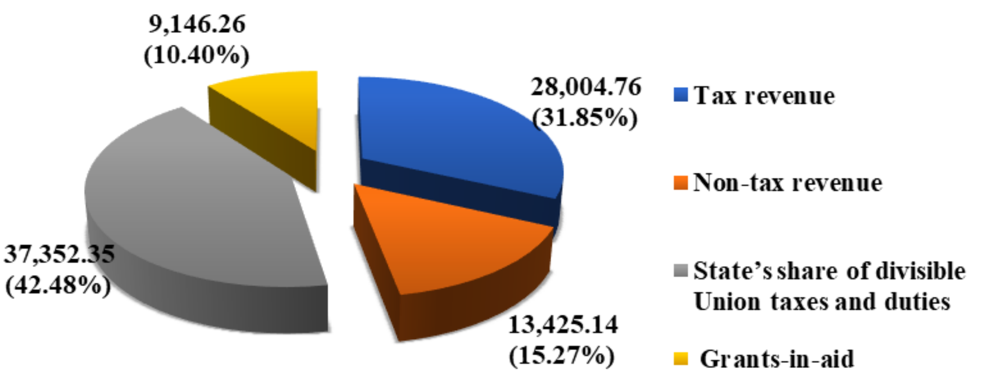
		2019-20	2020-21	2021-22	2022-23	2023-24
1	**Revenues raised by the State Government**					
	• Tax revenue	16,771.45	16,880.08	21,289.61	25,117.51	28,004.76
	Percentage of growth compared to previous year	**13.69**	**0.65**	**26.12**	**17.98**	**11.49**
	• Non-tax revenue	8,749.98	7,564.01	10,030.75	12,830.05	13,425.14
	Percentage of growth compared to previous year	**5.96**	**(-) 13.55**	**32.61**	**27.91**	**4.64**
	Total	**25,521.43**	**24,444.09**	**31,320.36**	**37,947.56**	**41,429.90**
2	**Receipts from the Government of India**					
	• State's share of divisible Union taxes and duties	20,593.04	19,712.23	27,734.64	31,404.12	37,352.35
	• Grants-in-aid	12,302.67	11,993.41	10,666.86	10,893.54	9,146.26
	Total	**32,895.71**	**31,705.64**	**38,401.50**	**42,297.66**	**46,498.61**
3	**Total receipts of the State Government (1 & 2)**	**58,417.14**	**56,149.73**	**69,721.86**	**80,245.22**	**87,928.51**
4	**Percentage of 1 to 3**	**44**	**44**	**45**	**47**	**47**

Source: Finance Accounts of the Government of Jharkhand.

The above table indicates that during the year 2023-24, the revenue raised by the State Government (₹ 41,429.90 crore) was just 47 *per cent* of the total revenue receipts. The balance 53 *per cent* of receipts during 2023-24 was received from the Government of India. Both tax revenue and non-tax revenue raised by the State Government increased by 11.49 *per cent* and 4.64 *per cent* respectively in 2023-24, over 2022-23.

The break-up of revenue receipts of the State for the year 2023-24 is shown in **Chart-1.1**.

Chart-1.1
Break-up of Revenue Receipts of the State
(₹ in crore)



1.2.2 Details of tax revenue raised during the period 2019-20 to 2023-24 are given in **Table-1.2**.

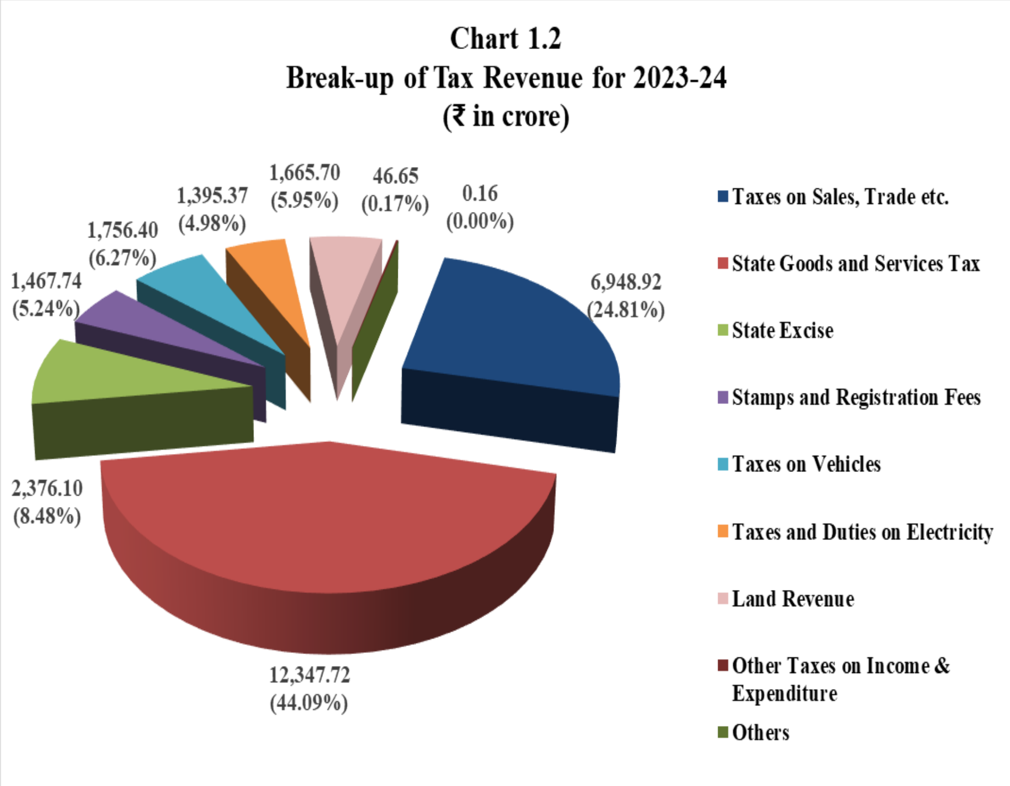
Table-1.2
Details of Tax Revenue

(₹ in crore)

Sl. No.	Head of revenue	2019-20	2020-21	2021-22	2022-23	2023-24	Percentage of increase (+) or decrease (-) in 2023-24 over 2022-23
1	Taxes on Sales, Trade etc.	3,996.33	4,300.89	5,213.40	6,270.53	6,948.92	10.82
2	State Goods and Services Tax	8,417.72	7,930.56	9,557.40	11,374.02	12,347.72	8.56
3	State Excise	2,009.27	1,821.09	1,806.61	2,056.88	2,376.10	15.52
4	Stamps and Registration Fees	560.33	708.14	987.24	1,107.64	1,467.74	32.51
5	Taxes on Vehicles	1,128.98	976.35	1,262.78	1,573.77	1,756.40	11.60
6	Taxes and Duties on Electricity	236.24	195.26	791.72	1,131.82	1,395.37	23.29
7	Land Revenue	337.98	872.93	1,621.21	1,557.26	1,665.70	6.96
8	Other Taxes on Income & Expenditure	83.93	74.77	46.15	45.09	46.65	3.46
9	Others	0.67	0.09	3.10	0.50	0.16	(-) 68.00
	Total	**16,771.45**	**16,880.08**	**21,289.61**	**25,117.51**	**28,004.76**	**11.49**

Source: Finance Accounts of the Government of Jharkhand.

The break-up of tax revenue for the year 2023-24 is shown in **Chart-1.2**.



The reasons for significant variations in receipts in 2023-24, from those of 2022-23, in respect of some principal heads of tax revenue, were as under:

Taxes on Sales, Trade etc.: Reason for increase of 10.82 *per cent* was not furnished by the Department (September 2025). However, Audit noticed that during 2023-24, receipt in minor head '102- Receipts under State Sales Tax Act' increased to ₹ 6,833.50 crore from ₹ 6,263.12 crore in 2022-23.

State Excise: The increase of 15.52 *per cent* was attributed (December 2024) by the Department to implementation of new excise policy and improvement in the market economy after the COVID 19 pandemic.

Stamps and Registration Fees: 'Stamp and Registration Fees' increased by 32.51 *per cent* in 2023-24, over the previous year. Audit noticed that during 2023-24, receipts from minor head '102- Sale of Stamps' increased to ₹ 766.45 crore from ₹ 576.63 crore in 2022-23.

Taxes on Vehicles: The increase of 11.60 *per cent* in 2023-24 was attributed (November 2024) by the Department to 10.41 *per cent* more vehicles sold over 2022-23.

Taxes and Duties on Electricity: Reason for increase of 23.29 *per cent* was not furnished by the Department (September 2025). Audit, however, noticed that during 2023-24, receipts under minor head '101- Taxes on consumption and sale of Electricity' increased to ₹ 1,395.37 crore from ₹ 1,131.82 crore in 2022-23.

1.2.3 Details of non-tax revenue, raised during the period 2019-20 to 2023-24, are indicated in **Table-1.3**.

Table-1.3
Details of Non-Tax Revenue

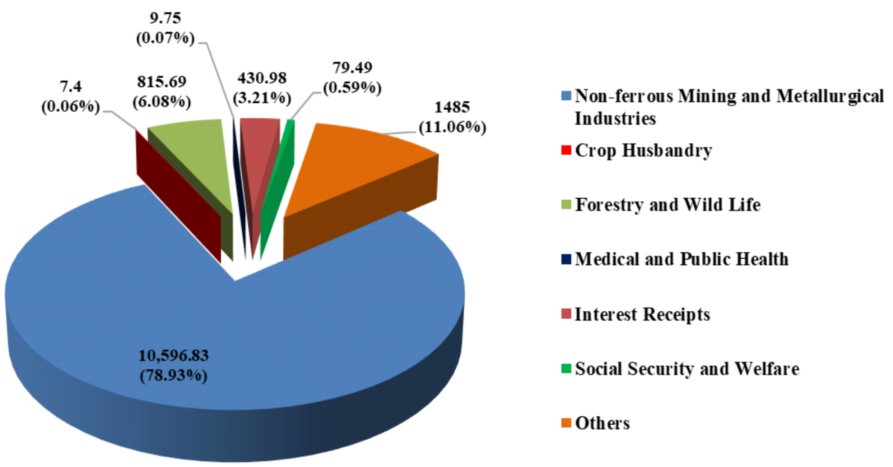
(₹ in crore)

Sl. No.	Head of revenue	2019-20	2020-21	2021-22	2022-23	2023-24	Percentage of increase (+) or decrease (-) in 2023-24 over 2022-23
1	Non-ferrous Mining and Metallurgical Industries	5,461.36	5,012.47	7,535.03	10,035.96	10,596.83	5.59
2	Crop Husbandry	160.4	555.55	5.34	1.27	7.40	482.68
3	Forestry and Wild Life	17.59	328.17	655.76	637.86	815.69	27.88
4	Medical and Public Health	8.75	270.71	8.78	91.53	9.75	(-) 89.35
5	Interest Receipts	309.51	81.36	95.54	282.02	430.98	52.82
6	Social Security and Welfare	84.61	18.05	3.21	81.11	79.49	(-) 2.00
7	Others[1]	2,707.76	1,297.70	1,727.09	1,700.30	1,485.00	(-) 12.66
Total		**8,749.98**	**7,564.01**	**10,030.75**	**12,830.05**	**13,425.14**	**4.64**

Source: Finance Accounts of the Government of Jharkhand.

The break-up of non-tax revenue for the year 2023-24 is shown in **Chart-1.3**.

Chart-1.3
Break-up of Non-Tax Revenue for 2023-24
(₹ in crore)



The departments concerned did not furnish the reasons for variation despite several requests. Significant variations were noticed under the following Non-Tax revenue components:

[1] Others include General Services, Social Services and Economic Services.

Crop Husbandry: Receipts under 'Crop Husbandry' increased by 482.68 *per cent* in 2023-24 over the previous year. Audit also noticed that during 2023-24, receipts under minor head- '800- Other Receipts' increased to ₹ 5.52 crore from ₹ 0.05 crore in 2022-23.

Forestry and Wild Life: Receipts under **'**Forestry and Wild Life' increased by 27.88 *per cent* in 2023-24 over the previous year. Audit noticed that during 2023-24, receipts under minor head '103-Receipts from environmental forestry' under sub-head '01-Forestry' increased to ₹ 792.63 crore from ₹ 244.67 crore in 2022-23.

Medical and Public Health: Receipts under 'Medical and Public Health' decreased by 89.35 *per cent* in 2023-24 over the previous year. Audit noticed that receipts under '101- Receipts from Employees State Insurance Scheme' under sub-head '01- Urban Health Services' was significantly less in 2023-24 as compared to 2022-23.

1.3 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2024, in respect of three principal heads of revenue, amounted to ₹ 6,492.45 crore, of which ₹ 5,520.03 crore was outstanding for more than five years, as detailed in **Table-1.4**.

Table-1.4

Arrears of Revenue

(₹ in crore)

Sl. No.	Head of revenue	Arrears as on 31 March 2024	For more than five years as on 31 March 2024	Status of outstanding arrears						
				Demand issued	Stayed by judicial authorities	Stayed by Government	Rectification/ review	Dealer/ party insolvent	Written off	Specific action not intimated
1	Taxes on Sales, Trade etc.	5,760.10	4,987.73	1,097.47	1,136.14	721.46	4.65	76.35	0	2,724.03
2	Taxes on Vehicles	647.63	493.39	147.89	4.90	---	---	---	---	494.85
3	State Excise	84.72	38.91	56.61	7.65	0.07	0.11	---	0.16	20.12
Total		**6,492.45**	**5,520.03**							

The position of arrears of revenue, pending collection as on 31 March 2024 in respect of other revenue heads, was not furnished (September 2025) despite active pursuance by Audit.

1.4 Follow up on Audit Reports – summarised position

Discussion of Audit Reports by the Public Accounts Committee

According to the rules of procedure for the internal working of the Committee on Public Accounts, the administrative departments were to initiate *suo moto* action on all Audit Reports/Paragraphs featuring in the Comptroller and Auditor General's Audit Reports, regardless of whether they were taken up for examination by the Public Accounts Committee (PAC) or not. The departments were to furnish detailed Action Taken Notes (ATNs) to the PAC, duly vetted by Audit, indicating the remedial action taken or proposed to be taken by them.

The Audit Reports on Revenue for the years 2008-09 to 2021-22 have 302 Audit Paragraphs. Of these, PAC has taken up 136 paragraphs for discussion and made recommendations in respect of three paragraphs and 16 sub-paragraphs. Further, one ATN has been received and action has been taken by the Department in case of one paragraph.

Further, the Audit Reports of 2000-01 to 2007-08, which were left to the departments for follow-up, had 270 outstanding paragraphs of which 90 paragraphs were taken up for discussion by the PAC. Against this, the PAC had made recommendations in respect of five paragraphs, ATNs were received in respect of two paragraphs and action has been taken by the Department in respect of two paragraphs, as detailed in **Table-1.5**.

Table-1.5: Status of PAC discussion

Status	Audit Report for the year 2000-01 to 2007-08	Audit Report for the year 2008-09 to 2021-22
Number of outstanding Audit paragraphs	270	302
Taken up by PAC for discussion	90	136
Not taken up for PAC discussion	180	166
Recommendation made by PAC	5 Paragraphs	3 Paragraphs and 16 Sub-paragraphs
ATN received	2	1[2]
Action taken by the departments	2	1[2]

1.5 Response of the departments/Government to Audit

On completion of audit of Government departments and offices, Audit issues Inspection Reports (IRs) to the concerned heads of offices, with copies to their superior officers, for corrective action and their monitoring. Serious financial irregularities are reported to Heads of the departments and the Government.

Review of IRs, issued for the years 2008-09 to 2023-24, revealed that 10,987 paragraphs, relating to 1,187 IRs, remained outstanding at the end of March 2024. The potentially recoverable revenue, as brought out in these IRs, was as much as ₹ 19,007.64 crore, whereas the total revenue receipt of the State was ₹ 41,429.90 crore in 2023-24. Department-wise details, relating to the revenue sector of the State Government, are given in **Table-1.6**.

[2] PAC Report No. 18, Para 7.6.1/AR 2009-10, Non-levy of interest for delayed payment of royalty, Mining Department, Government of Jharkhand

Table-1.6
Department-wise details of outstanding Inspection Reports

(₹ in crore)

Sl. No.	Department	Nature of receipts	Number of outstanding IRs	Number of outstanding audit observations	Money value involved
1	Commercial Taxes	Taxes on Sales, Trade etc.	313	5,728	8,938.52
		Entry Tax	5	5	9.54
		Taxes and Duties on Electricity	12	55	93.65
2	Excise and Prohibition	State Excise	178	936	1,409.82
3	Revenue, Registration and Land Reforms	Land Revenue	128	936	4,560.56
4		Stamps and Registration Fees	168	870	37.75
5	Transport	Taxes on Vehicles	204	1,578	1,170.17
6	Mines and Geology	Non-ferrous Mining and Metallurgical Industries	179	879	2,787.63
Total			**1,187**	**10,987**	**19,007.64**

Even the first replies, required to be submitted by the heads of offices within one month from the date of issue of the IRs, were not received for 321 IRs issued from 2008-09 onwards.

1.6 Results of audit

Audit covered three departments[3] of the State Government and test-checked the records of 40 out of 144 auditable units (27.78 *per cent*) relating to state excise, taxes on vehicles, land revenue and stamp and registration fees during the year 2023-24. In these three departments, revenue of ₹ 4,738.29 crore was collected during 2022-23, out of which 40 audited units collected ₹ 3,346.70 crore (70.63 *per cent*). In the 40 audited units, Audit noticed non-collection of tax from transport vehicles, non-realisation of one-time tax, non-levy of green tax, short levy of one-time tax from construction equipment vehicles, short levy of penalty for non-maintenance of mandatory minimum stock by wholesale licensees, short levy of registration fee, *etc*. Additionally, Audit conducted a Subject Specific Compliance Audit (SSCA) on 'Functioning of State Transport Authority/Regional Transport Authorities/ District Transport Offices in Jharkhand'**.** The financial implication of irregularities noticed in audit amounted to ₹ 1,065.86 crore of which the departments concerned accepted under-assessment and other deficiencies of ₹ 1,065.86 crore in 1,91,066 cases pointed out by Audit and effected recovery of ₹ 15.65 crore in 4,247 cases.

This Report contains findings of the SSCA on 'Functioning of STA/RTAs/ DTOs in Jharkhand' and two paragraphs based on audit of the Excise and Prohibition Department conducted during the year. The financial effect of irregularities featuring in the Report amounts to ₹ 524.22 crore of which the Department/Government has accepted audit observations involving ₹ 524.22 crore and recovered ₹ 15.65 crore.

The errors/omissions pointed out are on the basis of a test audit. The Department/Government may, therefore, undertake a thorough review of all

[3] Excise and Prohibition; Revenue, Registration and Land Reforms and Transport Department.

units, to check whether similar errors/omissions have taken place elsewhere, and, if so, rectify them; and put a system in place that would prevent such errors/omissions.

1.7 Significant Audit Observations

The present Report contains observations relating to tax and non-tax receipts, featuring a subject specific compliance audit and two individual observations/ paragraphs.

Significant observations contained in this Report are discussed in brief in the following paragraphs.

Functioning of State Transport Authority/Regional Transport Authorities/District Transport Offices (STA/RTAs/DTOs) in Jharkhand

A Subject Specific Compliance Audit (SSCA) on *"Functioning of State Transport Authority/Regional Transport Authorities/District Transport Offices (STA/RTAs/DTOs) in Jharkhand"* was conducted in view of the essential citizen-centric services provided by the Transport Department and its contribution to the revenue receipts of the State. The audit, covering the period from 2019–20 to 2023–24, was conducted between August 2024 and March 2025 to assess the efficiency and effectiveness of operations within the State Transport Authority (STA), Regional Transport Authorities (RTAs) and District Transport Offices (DTOs) across Jharkhand.

Audit noted the urgent need for structural reforms, improved monitoring and stricter compliance to ensure optimal revenue collection. Irregularities in levy and collection of motor vehicle tax and fees were also noticed. The total financial implication of this Report based on test check of office of the Transport Commissioner, three offices of the Regional Transport Authorities and six District Transport Offices in Jharkhand is ₹ 415.89 crore. Additionally, audit observations with a financial implication of ₹ 96.67 crore, issued during Compliance Audit of 13 DTOs and two RTAs in 2023-24, have also been included in this report.

The major audit findings are summarised below:

The Department included provisions for a fixed fee of ₹ 25 for Learner's Licences (LL) in the draft agreement, despite the vendors offering no added services beyond printing the LL. This fee, in addition to the statutory charge of ₹ 150 collected by the Department, violated provisions mandating electronic issuance of LLs. Consequently, the vendor collected ₹ 4.09 crore from the applicants during the period 2017-18 to 2023-24.

Paragraph 2.3.2.1

In violation of the prescribed provisions of the Motor Vehicles Act, 305 driving licences for motorcycles with gear were issued to applicants under 18 years in five test-checked DTOs during the period from 2019 to 2024. This was found to be due to irregular mapping of provisions in *SARATHI*.

Paragraph 2.3.2.2

The Department did not establish automated driving test tracks as required and conducted driving tests on temporary, substandard tracks raising concerns about the adequacy of driver competency evaluations.

Paragraph 2.3.2.4, 2.3.2.5, 2.3.2.6

Temporary Registrations (TRs) issued to 6,640 vehicles during 2019-24 were not followed by permanent registration. Lack of alerts in *VAHAN* and inability of the DTOs to monitor TRs led to the increased risk of movement of unregistered vehicles on roads and provided a window for evasion of tax.

Paragraph 2.3.3.1

Vehicles registered between April 2004 and March 2009 (1,320 personalised and 1,108 transport vehicles) operated with expired registration certificates without renewal, cancellation, or surrender, leading to non-levy of ₹ 8.72 crore in fees and taxes. It was further seen that sale price (required for calculation of motor vehicle tax) of 18,843 personalised vehicles was not recorded in *VAHAN*, which resulted in non-assessment of tax. Further, certificates of fitness (CF) of 2,690 transport vehicles over 15 years old were renewed between April 2022 and March 2024 without corresponding renewal of their registration certificates (RCs).

During compliance audit of 13 test-checked DTOs in 2023-24, Audit noticed similar cases where out of 7,748 transport-vehicles test-checked, CF of 1,835 vehicles and RCs of 2,099 vehicles that were over 15 years old, were pending renewal since 1 April 2022. This resulted in non-levy of CF and RC renewal fee amounting to ₹ 2.55 crore.

Paragraph 2.3.3.2

2,686 Construction Equipment Vehicles (CEVs), registered prior to 31 January 2019, were wrongly classified and taxed as "goods vehicles" based on Registered Laden Weight (RLW), instead of levying One-Time Tax (OTT) based on their cost price as per amended provisions. This misclassification led to short levy of taxes amounting to ₹ 2.01 crore on 112 vehicles. For the remaining 2,574 vehicles, the sale price was not recorded in *VAHAN*, thereby preventing assessment of OTT.

Similar discrepancies were noticed during compliance audit in 2023-24 wherein 89 transport vehicles were found to have been misclassified as goods vehicles instead of CEVs resulting in short levy of taxes amounting to ₹ 1.56 crore. The OTT on the remaining 517 vehicles could not be assessed as their sale price was not recorded in *VAHAN*.

Paragraph 2.3.3.6

Due to the inability of the Department to enforce issue of Temporary Registration (TR) through *VAHAN*, M/s Tata Motors issued TRs with a validity of one-month instead of six months, resulting in short collection of ₹327.35 crore of motor vehicle tax during the period 2021–24. Further, 379 vehicles sold to dealers were irregularly dispatched using Trade Registration Marks (TRMs) instead of TR resulting in evasion of tax amounting to ₹ 36.92 lakh.

Similarly, during compliance audit in 2023-24, it was observed that M/s Tata Motors had dispatched 687 vehicles sold to dealers on TRMs during 2022-23 resulting in non-levy of fee and taxes amounting to ₹ 1.13 crore.

Paragraph 2.3.3.8

Lack of a mechanism to identify and enforce Certificate of Fitness (CF) renewals led to 4,458 vehicles operating with expired CF, resulting in non-realisation of ₹ 7.58 crore in renewal fees and fines. Moreover, a systemic flaw in the *VAHAN* application linking green tax to 'CF renewal' module instead of 'motor vehicle tax payment' module resulted in non-levy of green tax during the period of expired CF resulting in further revenue loss of ₹ 60.13 lakh.

Similarly, during compliance audit in 2023-24, 6,003 transport vehicles with expired CF were noticed to be operating in 13 test checked DTOs resulting in non-levy of fee and fines amounting to ₹ 7.27 crore.

Paragraph 2.3.4.2

Out of 14,984 National Permits issued by three RTAs between 2019-24, the subsequent annual authorisation of 1,443 NPs were not renewed resulting in non-realisation of composite and authorisation fee amounting to ₹ 5.26 crore. Further, permits of 258 public service vehicles with valid tax and fitness certificates were not renewed, leading to non-realisation of permit fee amounting to ₹ 46.79 lakh.

Similarly, during compliance audit for the period 2023-24, Audit noticed that authorisation of 1,461 out of 5,254 national permits issued in two RTAs had not been renewed which led to non-realisation of revenue amounting to ₹ 5.62 crore.

Paragraph 2.3.5.1 and 2.3.5.4

Despite notification (September 2021) of MoRTH mandating Automated Testing Stations (ATS) and the launch of the Automated Fitness Management System (May 2024), only one ATS was established in Jharkhand as of July 2023, leaving integration incomplete and CF were still being issued manually. Likewise, Registered Vehicle Scrapping Facilities were not set up, resulting in delays in establishing vehicle scrapping and recycling infrastructure.

Paragraph 2.3.6.1 and 2.3.6.2

There was shortfall in revenue collection due to non-levy of tax of ₹ 22.34 crore from transport vehicles, ₹ 20.52 crore from one-time tax defaulters and ₹ 89.90 lakh from reciprocal agreement vehicles.

Similarly, during compliance audit in 2023-24, it was noticed that motor vehicle tax and penalty amounting to ₹ 62.93 crore from 6,925 transport vehicle owners was not collected in 13 test-checked DTOs. Further, OTT and fine amounting to ₹10.93 crore from 3,979 vehicle owners was not collected in these DTOs. Out of 806 buses operating under reciprocal agreements, 80 buses were found to have defaulted in payment of motor vehicle tax amounting to ₹ 1.08 crore, including penalty of ₹ 0.72 crore.

Paragraph 2.3.7.2, 2.3.7.3 and 2.3.7.4

Departmental inaction in mapping the revised tax structure in *VAHAN* led to levy of tax on ambulances and camper vans at pre-revised rates resulting in revenue loss of ₹ 37.40 lakh in three DTOs.

Similarly, during compliance audit in 2023-24, it was seen that tax at pre-revised rates were applied on 191 ambulances and camper vans in 12 DTOs which led to short levy of tax amounting to ₹ 1.17 crore.

Paragraph 2.3.7.6

Penalty of ₹ 27.71 lakh on delayed motor vehicle tax payments in 820 cases was not levied due to discrepancies in *VAHAN* and the lapse was not detected by the taxing officers.

Similarly, during compliance audit in 2023-24, it was seen that penalty on delayed payment of tax amounting to ₹ 2.70 crore in 3,827 transactions was short levied in 13 DTOs.

Paragraph 2.3.7.7

An amount of ₹ 47.21 crore collected via HDFC bank POS machines between January 2021 and March 2024 by the enforcement officers of the Department was remitted by the bank into Government Account with delays ranging from two to eight months for which the bank was liable to pay penal interest of ₹ 1.23 crore.

Paragraph 2.3.7.9

It was seen that GST amounting to ₹ 18.54 crore was collected during renewal of CF during 2019-20 to 2023-24, including ₹ 9.95 crore in the six test-checked DTOs. However, due to lack of GST registration and a segregation mechanism, the amount was incorrectly credited under "0041 -Taxes on Vehicles" instead of the appropriate GST heads.

Paragraph 2.3.7.10

Penalty and fine, liable to be charged under the Carriage by Road Act, was not collected from 693 overloaded vehicles penalised under the MV Act, leading to a revenue loss of ₹ 2.69 crore. Moreover, weighbridges were not provided, leading to overloaded vehicles operating on public roads despite penalty being levied under the MV Act.

Paragraph 2.3.8.2 and 2.3.8.4

Recommendations:

- ***The Department may conduct a comprehensive review of the tendering process for smart card services and take corrective action to address deficiencies and ensure compliance with procurement guidelines.***
- ***The Department may expedite establishment of automated driving test tracks for all classes of vehicles with specific dimensions to test the competency to drive as laid down in the Rules.***
- ***The Department may consider establishment of Automated Testing Stations in all districts of the State as well as equip Motor Vehicle Inspectors with necessary infrastructure and equipment to conduct fitness tests.***
- ***The Department may consider establishment of weighbridges so that overloaded vehicles can be penalised as per the MV Act.***

Individual observations/Paragraphs

Excise and Prohibition Department

Penalty, equivalent to loss of excise duty of ₹ 8.35 crore due to non-maintenance of mandatory minimum stock of liquor by wholesale licensees, was short levied by the Department.

(Paragraph 2.6)

Lack of due diligence on the part of excise authorities resulted in non-levy of late fee amounting to ₹ 3.04 crore on 42 bars and restaurant licensees who had deposited Minimum Guaranteed Revenue and revenue equivalent to short lifted liquor with delays ranging between 1 and 304 days.

(Paragraph 2.7)

CHAPTER-II

COMPLIANCE AUDIT PARAGRAPHS

CHAPTER-II: COMPLIANCE AUDIT PARAGRAPHS

TRANSPORT DEPARTMENT

2.1 Tax Administration

The levy and collection of motor vehicles tax and fee in the State is governed by the Jharkhand Motor Vehicles Taxation (JMVT) Act, 2001, the Jharkhand Motor Vehicles Taxation (JMVT) Rules, 2001, Motor Vehicles (MV) Act, 1988, Central Motor Vehicles (CMV) Rules, 1989, and Jharkhand Financial Rules.

The Transport Department of Jharkhand is responsible for levy and collection of motor vehicle tax and fee. The main functions of the Department are to issue certificates of registration, certificates of fitness, national permits, permanent and local permits for vehicles, trade certificates to dealers and driving/ conductor licenses to individuals.

The Secretary of the Department is the State Transport Authority who acts as administrative head of the Transport Department and is responsible for implementation of the Acts and Rules in the State. The State Transport Commissioner (STC), Jharkhand is the executive head of the Department and is responsible for administration of Acts and Rules in the Transport Department. A Joint Transport Commissioner (JTC) at Headquarters and Regional Transport Authorities (RTAs) of five regions[4], District Transport Officers (DTOs) and Motor Vehicle Inspectors (MVIs) in 24 transport districts[5] assist him. These officials are responsible for compounding the offences committed under various MV Acts and Rules, and levy of tax and fines.

2.2 Results of audit

During 2023-24, Audit test-checked the records of 16 [6] out of 32 auditable units (50 *per cent*) of the Transport Department. During the period 2022-23, 68,81,602 vehicles were registered, out of which 52,72,083 vehicles were registered in the test-checked units. Audit examined records related to 1,88,725 registered vehicles. Revenue collected by the Department during the year 2022-23 aggregated to ₹ 1,573.91 crore of which the audited units collected ₹ 1,258.30 crore (80 *per cent*). Audit scrutiny revealed non/short levy of taxes, short levy of taxes, short levy of taxes due to misclassification of vehicles, *etc.* amounting to ₹ 325.50 crore in 1,88,725 cases, as shown in **Table 2.1**.

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4 Chaibasa, Dumka, Hazaribagh, Palamu and Ranchi.

5 Bokaro, Chaibasa, Chatra, Deoghar, Dhanbad, Dumka, Garhwa, Giridih, Godda, Gumla, Hazaribagh, Jamshedpur, Jamtara, Khunti (Notified in March 2015), Koderma, Latehar, Lohardaga, Palamu, Pakur, Ramgarh (Notified in April 2015), Ranchi, Sahibganj, Saraikela-Kharsawan and Simdega.

6 District Transport Offices: Bokaro, Dhanbad, Dumka, Godda, Gumla, Hazaribagh, Jamshedpur, Koderma, Latehar, Lohardaga, Pakur, Ranchi and Sahibganj; Regional Transport Authorities: Dumka and Hazaribagh and State Transport Authority, Government of Jharkhand, Ranchi.

Table-2.1

(₹ in crore)

Sl. No.	Categories	No. of cases	Amount
1	Functioning of State Transport Authority/ Regional Transport Authorities/ District Transport Offices (STA/RTAs/DTOs) in Jharkhand	1	415.89
2	Short realization of fee and taxes for issue of Temporary Registration	1,49,997	215.97
3	Non-collection of tax from Transport Vehicles	7,686	62.95
4	Non-collection of one-time tax from transport vehicles and construction vehicles	3,635	10.26
5	Others	27,407	36.32
	Total	**1,88,726**	**741.39**

The Department accepted all the audit observations and recovered ₹ 13.57 crore. Irregularities involving 27,087 cases amounting to ₹ 512.83 crore are discussed in the succeeding paragraphs.

2.3 Functioning of State Transport Authority/Regional Transport Authorities/District Transport Offices (STA/RTAs/DTOs) in Jharkhand

2.3.1 Introduction

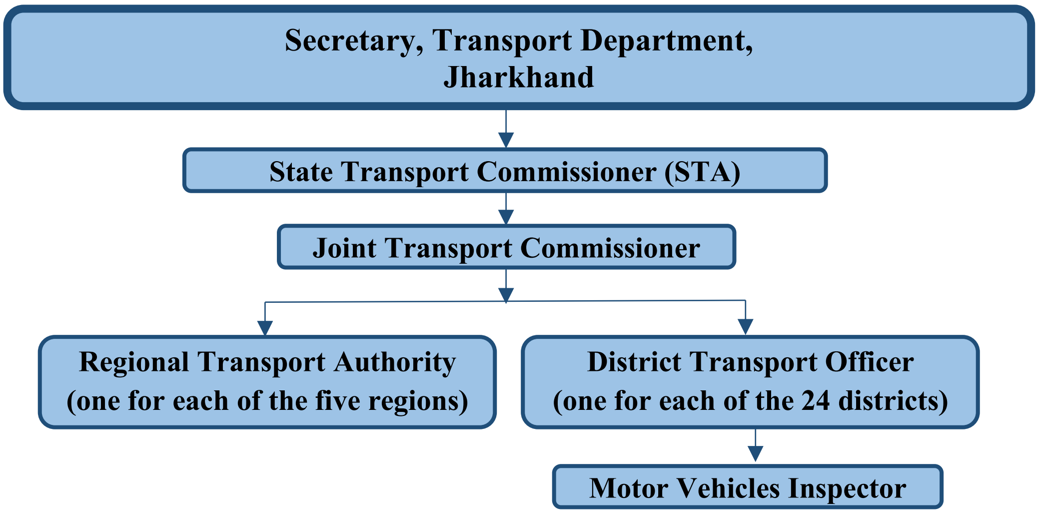
The regulation and governance of mechanically propelled vehicles, including the principles for levying taxes, fall under the Concurrent List (Entry 35, List III) of the Seventh Schedule of the Constitution of India. This dual jurisdiction empowers both the Central and State Governments to legislate and implement rules regarding motor vehicles. To provide a uniform legal framework, the Parliament enacted the Motor Vehicles (MV) Act, 1988, governing areas such as the issuance of driving licenses, registration of vehicles, granting of permits, issuance of conductor licenses for stage carriages, and enforcement of road safety measures.

The Ministry of Road Transport and Highways (MoRTH), Government of India (GoI) formulates national policies and oversees compliance with the MV Act and the Central Motor Vehicles Rules, 1989. The State Transport Department implements these laws locally and manages infrastructure development, while the State Transport Authority (STA) is responsible for implementing motor vehicle regulations at the State level. To improve efficiency and transparency, the GoI developed *SARATHI* (for driving licenses) and *VAHAN* (for vehicle services), with the latest versions (*SARATHI* 4.0 and *VAHAN* 4.0) launched in June 2015 and implemented in the State from February 2017 onwards.

The Department of Transport (DoT), Government of Jharkhand (GoJ), oversees the implementation and enforcement of motor vehicle regulations through its administrative and field offices. The Secretary, DoT, is the administrative head and principal advisor to the Government on policy and administrative matters.

The organisational structure of DoT is depicted in **Chart-2.1**. As depicted in the Chart, there are five Regional Transport Authorities in the State (one each at the Commissionerate level) and 24 District Transport Offices (DTOs).

Chart-2.1: Organisational Structure of the DoT in Jharkhand



A Subject Specific Compliance Audit (SSCA) was conducted with a view to ascertain whether DTOs/RTAs effectively managed licenses, vehicle registration, permits, fitness certificates, revenue collection, enforcement of MV Act/Rules, and had adequate resources for efficient delivery of public services.

Field audit, covering the period from 2019-20 to 2023-24, was conducted between August 2024 and March 2025. It included data analysis, on-site verification at departmental offices, and an evaluation of road safety initiatives, driving tests, vehicle fitness assessments, enforcement operations and other related functions in six out of 24 DTOs and three RTAs (covering the six test-checked DTOs). Similar observations noticed during compliance audit (2023-24) of 13 test-checked DTOs[7] and two RTAs[8] have also been included.

An Entry conference was held (09 July 2024) with the Secretary, DoT, GoJ, in which the audit objectives, scope and methodology were discussed in detail. An Exit conference (6 June 2025) was also held with the Secretary of the Department to discuss the audit findings. The response of the Government/ Department, wherever received, have been suitably incorporated in the Report.

Trend of revenue collection

Taxes on motor vehicles, green tax, cess and various levies collected under the MV Act and Rules constitute the overall revenue of DoT. During the year 2023-24, DoT contributed 6.27 *per cent* of the total tax revenue of the State. Trend of revenue collection by the Department during the last five years is shown in **Table-2.2**.

[7] Bokaro, Dhanbad, Dumka, Godda, Gumla, Hazaribagh, Jamshedpur, Koderma, Latehar, Lohardaga, Pakur, Ranchi and Sahibganj.

[8] Hazaribagh and Dumka.

Table-2.2 Trend of revenue collection

(₹ in crore)

Year	Tax revenue of the State	Tax on motor vehicles	Percentage growth over the previous year	Percentage of tax revenue
2019-20	16,771	1,128.98	30.67	6.73
2020-21	16,880	976.35	(-)13.52[9]	5.78
2021-22	21,290	1,262.78	29.34	5.93
2022-23	25,118	1,573.77	24.63	6.27
2023-24	28,005	1,756.40	11.60	6.27

Source: Annual Financial Statement, Government of Jharkhand

Audit findings

2.3.2 Issuance of driving licenses

Audit observed deficiencies in the management of driving licenses, conduct of driving tests, operation of driving schools/driving training centres and in the implementation and monitoring of departmental functions, as detailed in the following paragraphs.

2.3.2.1 Contract management

Under Section 8 of the MV Act read with Rules 11 to 13 of the CMV Rules, a learner's license (LL) is to be issued electronically in printable Form 3 after the applicant completes an online safe driving tutorial and passes an e-test on the *SARATHI* portal. As per Rule 32 (Chapter-II) of the CMV Rules, the fee for LL test is ₹ 50, and the fee for issuing the LL is ₹ 150. The final driving license (DL) is issued in the form of a smart card on successful completion of the physical driving test and payment of the fees prescribed.

The Department, following the expiry of contract with the previous vendor for smart card-based services, invited (September 2015) Request for Proposal (RFP) and draft agreement, outlining the scope of services to be delivered by the Service Provider. These included:

i. Personalisation of smart card-based DLs.

ii. Personalisation of smart card-based Vehicle Registration Certificates (VRCs).

iii. Printing of paper-based LLs.

iv. Utilisation of web technology platforms for service delivery.

v. Enhancement of infrastructure quality.

vi. Efficient storage and management of both physical and electronic records.

The draft agreement contained the following provisions:

- Under Article 7.2, the vendor shall demand, collect and appropriate a fixed fee of ₹ 25 from the users for each LL processed and issued by the DoT.

[9] Due to the COVID 19 pandemic.

- Under Article 7.3.1, the vendor would collect service charges of ₹ 41.70 for smart card-based Driving Licence (DL) and Vehicle Registration Certificate (VRC) from each user.
- Article 7.3.2 provided for 10 *per cent* escalation of the smart card fee, every two years.
- Appendix F of the draft agreement contained the format in which the price proposal and quote for smart card fee were to be submitted.

The price proposals as prescribed in Appendix F of the RFP were submitted by four bidders with the following quoted smart card processing fees, as shown in **Table-2.3**.

Table-2.3: Quoted Smart Card processing fees by the bidders

Sl. No.	Name of Bidder (M/s)	Quoted Smart Card Processing Fee (₹)	Rank
1	AKS Software Limited	189.00	L4
2	Rosmerta Technologies Limited	41.70	L1
3	Smart Chip Private Limited	54.18	L2
4	United Telecoms Limited	132.00	L3

Source: Departmental File

M/s Rosmerta Technologies Limited was declared the successful bidder for the Smart Card Project and a Letter of Acceptance was issued (15 January 2016) by the DoT, GoJ. Subsequently, an agreement was executed (23 February 2016) between the Transport Commissioner, GoJ, and M/s Rosmerta Technologies Limited, for a contract period of ten years.

Audit scrutiny of *SARATHI* data in the test-checked DTOs, and files relating to contract for smart card services, revealed the following:

i. It was seen from Appendix F that the bidding was confined only to the item of smart card fee for DL, while the fixed fee of ₹ 25 per LL under Article 7.2 was arbitrarily fixed by the Department prior to the bidding process in the draft agreement itself. This was in addition to the statutory fee of ₹ 150 collected by the Department for issuance of LL, as per Rule 32 of the CMV Rules, 1989.

ii. Fixed fee under Article 7.2 was to be charged for LLs processed and issued by DoT for which the vendor did not provide any additional services other than printing of LLs as specified in the RFP. Also issue of printed copies of LL was in contravention to the Act/Rules which provided for electronic issue of LLs in a printable form.

iii. The vendor had irregularly escalated the fixed fee for LLs by 10 *per cent* every two years aligning it with the escalation clause which was only applicable to smart card processing fees (for DLs & VRCs) as mentioned in Article 7.3.2.

Though Audit had requested (March 2025) the Department to furnish details of rates of fee charged during 2017-24 by the vendor as fixed fee, the information was not furnished and is still awaited (September 2025).

As per data/information provided by the PMU of the Department, a total of 16,37,301 LLs were issued during 2017-24. As such, a total amount of ₹ 4.09 crore was charged and collected as fees (at the rate of ₹ 25 per LL) by the vendor, as shown in **Table-2.4**.

Table-2.4: Learners' licences processed & issued by DoT and charges collected by the vendor

Financial Years	Nos. of LLs issued	Rate per LL (₹)	Total Fee charged (₹)
2017-18	1,81,393	25	45,34,825
2018-19	1,77,896	25	44,47,400
2019-20	3,37,107	25	84,27,675
2020-21	1,69,822	25	42,45,550
2021-22	2,42,515	25	60,62,875
2022-23	2,58,046	25	64,51,150
2023-24	2,70,522	25	67,63,050
Total	**16,37,301**		**4,09,32,525**

Thus, the DoT failed to conduct the bidding process for smart card–based services in a transparent manner. Further, it took no corrective action when the vendor irregularly increased the fixed fee over time. This reflects not only a lack of due diligence on the part of Departmental officials in ensuring accountability and transparency in contract management, but also raises concerns of possible collusion with the vendor. As a result, financial benefit of an estimated amount of ₹ 4.09 crore was extended to the vendor for printing of LLs in clear violation of the Act/Rules.

The Department, while remaining silent on the provision in the RFP and the Agreement for collection of additional charge of ₹ 25, stated (May 2025) that the vendor had reduced the enhanced charge in response to the audit observation. Further, during the exit conference (June 2025), the Secretary, DoT, assured that the vendor selection process would be reviewed.

Recommendation 1: The Department may conduct a comprehensive review of the tendering process for smart card services and take corrective action to address deficiencies and ensure compliance with procurement guidelines.

2.3.2.2 Mapping of provisions for grant of DL

Section 4 of the MV Act provides that no person under the age of eighteen years shall drive a motor vehicle in any public place. The Act, however, provides that a person after attaining the age of 16 years may apply for LL/DL to ride motorcycles without gear.

Audit analysed the fields of "date of birth", "class of vehicles" and "DL issue date" in *SARATHI* and found that 1,652 DLs for motorcycles were issued to applicants below the age of 18 years in the State during 2019-20 to 2023-24. Further analysis revealed that out of these DLs, 386 DLs were issued for motorcycles with gear, of which 305 DLs were issued in five[10] of the six test-checked DTOs. This was found to be due to irregular mapping of provisions in *SARATHI* which failed to reject applications for issue of DL for motorcycles

[10] Giridih, Hazaribagh, Jamshedpur, Palamu and Ranchi.

with gear to underage applicants. The DTOs or the Department also did not detect this irregularity while scrutinising the documents and approving the license. This resulted in issuance of driving licenses to drive motorcycles with gear to applicants between 16 and 18 years, in violation of the MV Act.

The DoT stated (June 2025) that NIC has been directed (May 2025) to modify the mapping of provisions of Section 4 and Section 10 of MV Act in *SARATHI,* as per the Act.

2.3.2.3 Issuance of driving licenses

The MV Act and CMV Rules provide for issue of DL by the licencing authority on successful clearance of the prescribed competency test to drive a motor vehicle. The *Jharkhand Rajya Sewa Dene ki Guarantee Adhiniyam* and *Niyamavali* provides that driving license to drive a motor vehicle shall be granted within a period of 45 days.

Audit analysis of the *SARATHI* database revealed that the six test-checked DTOs had issued 4,02,103 DLs during the period 2019-20 to 2023-24. Audit test-checked 3,84,674 cases and compared the dates of clearance of the competency test with the dates of issue of DLs. It was seen that 44,291 DLs were issued with delays ranging from one to 1,549 days from the date of passing the test to drive motor vehicles, as shown in **Table-2.5**.

Table-2.5: Delays in issue of DLs

Sl. No.	DTOs	Total number of DLs issued	No. of cases analysed	Range of delay in issue of DL						
				Number of DLs issued						
				upto one week	upto one month	upto 3 months	upto six months	upto one year	more than one year	Total
1	Giridih	42,543	40,330	1,555	3,475	2,843	1,793	2,526	178	**12,370**
2	Hazaribagh	57,306	49,645	1,626	3,636	2,821	1,320	1,088	383	**10,874**
3	Jamshedpur	1,42,391	1,39,554	1,124	2,460	1,966	1,202	411	53	**7,216**
4	Palamu	35,956	34,644	554	1,163	1,022	322	359	120	**3,540**
5	Ranchi	1,01,957	99,642	1,455	2,694	1,717	2,119	412	165	**8,562**
6	Simdega	21,950	20,859	147	412	459	186	430	95	**1,729**
Total		**4,02,103**	**3,84,674**	**6,461**	**13,840**	**10,828**	**6,942**	**5,226**	**994**	**44,291**

Audit test-checked 600 such cases to ascertain the reasons for delay in issuance of DLs and noticed that there was inordinate delay in recording the test results in *SARATHI*, leading to delays in the approval and issuance of DLs.

Thus, due to delays on the part of the licensing authority in issuance of DLs the guarantee given by the State Government to issue driving licenses within 45 days could not be met.

In reply, the DoT stated (June 2025) that the NIC has been directed (May 2025) to create an alert system in *SARATHI* to ensure timely issue of DLs. Moreover, all the DTOs have been directed (May 2025) to ensure immediate recording of test results in the portal.

2.3.2.4 Driving test tracks

Section 9(3) of the MV Act mandates that an applicant for DL must successfully pass the prescribed competency test. Rule 15 of the CMV Rules specifies that the test of competence to drive, which includes driving on hills, changing lanes with proper signals, driving the vehicle backwards *etc*., among other requirements, was to be determined by the licensing authorities. Accredited driving training centres, licensed by the State Government, could impart training and issue certificates in Form 5 B for issue of DL, without driving test, in respect of transport vehicles. Further, the Jharkhand State Road Safety Fund (JSRSF) Rules, 2016, were framed for the establishment of computerised automated driving test tracks, one each in each DTO. The Central Institute of Road Transport has also published approximate dimensional guidelines for Heavy Motor Vehicles (HMV) tracks.

Audit observed that no automated driving test track was established in the State, as of March 2024. The Department also did not furnish the dimensional specifications of driving test tracks determined, if any, to test the competence to drive, though called for by Audit (March 2025).

Joint physical verification of the driving test tracks in the six test-checked DTOs[11] was conducted between September and December 2024. Review of the adequacy of these test tracks as per the tests outlined in Rule 15 and specifications under Rule 31 of the CMV Rules revealed that the tracks lacked the dimensional specifications to test all components of the competency tests such as, quick change to lower gears when driving downhill; stopping and re-starting the vehicle on a steep upward incline making proper use of the hand-brake or of the throttle and the foot-brake without any rolling back, overtaking, allowing to be overtaken, meeting or covering the path of other vehicles safely (while overtaking), changing lanes with proper signals and with due care *etc*. Moreover, the test tracks were temporarily built in public places *e.g.,* college grounds or other spaces available with the district administration and lacked uniformity. It was further noticed that no test tracks were designated for HMVs or transport vehicles in any of the test-checked DTO.

The driving test tracks operated at the level of DTOs for conducting driving test are shown in **Photographs-2.1 to 2.6**.

Photographs of driving test tracks in the six test-checked DTOs

Photograph 2.1: Test track at Simdega, Albert Ekka ground owned by Nagar Parishad.

Photograph 2.2: Test track at Giridih, Government Middle School ground, Police line, Giridih.

[11] Only one driving test track was available in each DTO.

Photograph 2.3: Test track at Jamshedpur, Aam Bagan ground owned by M/s TISCO.

Photograph 2.4: Test track at Hazaribagh, in front of District Transport Office.

Photograph 2.5: Test track at Palamu, GLA College ground, owned by the College.

Photograph 2.6: Test track at Ranchi, Morabadi ground, Ranchi, owned by Nagar Parishad, Ranchi.

As per *SARATHI*, a total number of 68,280 DLs were issued for HMVs during 2019-20 to 2023-24 in the State. Of these, 33,957[12] licenses were issued by the six test-checked DTOs. Issue of driving licences without conducting tests on dedicated tracks and without using proper testing infrastructure raises concerns about the adequacy of the competency assessments. Insufficient testing facilities may also result in poor evaluation of driving skills, increasing the risk of issue of licences to under-skilled drivers. This issue is further exacerbated by the fact that the State lacked an automated driving test track for certification and issue of DLs.

As a result, the licensing authorities were issuing DLs on the basis of driving tests conducted on tracks which did not comply with all the requirements specified under the Rules *ibid*.

The DoT stated (June 2025) that all the DTOs have been instructed (March 2025) to conduct tests on driving test tracks constructed in accordance with the provisions of MV Acts and Rules.

[12] Giridih- 4,938, Hazaribagh-16,603, Jamshedpur-4,794, Palamu- 5,734, Ranchi-1,447 and Simdega- 441.

Recommendation 2: The Department may expedite establishment of automated driving test tracks for all classes of vehicles with specific dimensions to test the competency to drive as laid down in the Rules.

2.3.2.5 Driving schools

Section 12 of the MV Act, read with Rule 24 of the CMV Rules, provides for licensing of "Driving school or establishment" for imparting instructions in driving of motor vehicles. The Rules provide that the DTOs shall be the licensing authority for this purpose and has to ensure that the prescribed requirements are fulfilled before granting it a licence. The license granted to the school or establishment shall be in force for a period of five years. Further, the licensing authority has to conduct periodic inspections and has the power to suspend the licence if the school fails to meet the specified requirements.

Further, the CMV Rules lay down conditions for grant and renewal of licence which includes the following:

- adequate space for conducting lecture and demonstration of models,
- the financial resources of the proposed school or establishment are sufficient to provide for their continued maintenance,
- the applicant owns and maintains a minimum of one motor vehicle each of the type in which instruction is imparted in the school or establishment; and
- maintenance of apparatus, equipment, toolkits and other materials such as traffic sign chart, gear box, puncture kit, spanners *etc*.

On completion of course in accordance with the syllabus specified in Rule 31, the school issues a certificate in Form-5 to the trainees. Form-5 is required to be produced while applying for a driving license to drive a transport vehicle. Further, the school also issues Form 5-A (training on fuel efficient driving of HMV) to the drivers, which is required to be submitted during renewal of driving licence and addition of HMV in the existing DL.

Audit conducted joint physical verification in six schools across the six test-checked DTOs and observed in two cases (Giridih and Palamu) that the condition of the entry points was poor with potholes, cracks, rough or uneven surfaces and lack of proper drainage. Further, in all these schools, materials required in the classroom such as blackboard, desk and tables *etc*., were not available, and the designated garage space and equipment were inadequate, old and worn out. There were also cases of the driving schools operating with vehicles whose fitness/insurance certificates had expired. The condition of a driving school seen during joint physical verification is discussed in **Case Study-2.1**.

Case Study-2.1

Joint physical verification of Maa Tara Driving Training Centre, Palamu (Medininagar), a licencee for imparting training for driving motor cycles, LMVs, HMVs, loaders and cranes, was conducted in December 2024.

Photograph 2.7 : Driving training school functioning in the premises of an educational institution.

Photograph 2.8: Classroom with old and worn out training equipment

Audit noticed that the driving school was functioning in the campus of an educational institution. The licensing authority, despite evident irregularities like unavailability of material, proper equipment, inadequate practice tracks *etc*., granted license to the driving school to operate within the premises of an educational institution.

The DoT, while remaining silent regarding schools operating with vehicles with expired fitness/insurance, stated (June 2025) that explanation has been sought from DTO, Palamu.

2.3.2.6 Accredited driving training centres

The MoRTH introduced guidelines (August 2021) to create a standardised and scientific approach to driving testing and licensing across India. The aim was to ensure that the process was uniform and in accordance with provisions of the CMV Rules, thereby enhancing driving competency and road safety nationwide. Further, MoRTH launched (December 2021) a scheme for setting up three-tier driving training centres, which included:

i. Institutes of Driving Training & Research (IDTRs): One per five crore population, requiring a minimum of 10 to 15 acres of land.

ii. Regional Driving Training Centres (RDTCs): One per 2.5 crore population, requiring a minimum of three to five acres of land.

iii. District Driving Training Centres (DTCs): One per district, requiring about two acres of land.

The State Government was to grant accreditation to eligible driving centres and assure periodic audit and review for quality.

In compliance to guidelines of MoRTH, the Secretary, DoT, GoJ, issued (February 2022) instructions to the Deputy Commissioners of 10 districts[13] to submit reports on the availability of land for the establishment of Government

[13] Bokaro, Dhanbad, Dumka, East Singhbhum, Giridih, Hazaribagh, Palamu, Ranchi, Sahibganj and West Singhbhum.

Driving Training centres (DTC) with automated testing tracks (ATTs). However, only four districts[14] provided (July and August 2024) the necessary details after a lapse of two years. The Department appointed M/s Gaurav Home Point, Ranchi, as a consultant for the preparation of the model DPR in February 2022, which had not been submitted, as of February 2025. Subsequently, a budget allocation of ₹ 19.73 crore was made for the establishment of Accredited Driving Test Centres (ADTC) in FY 2022-23. The Department requested (July 2022) the Building Construction Department/JSBCCL to prepare a model DPR based on the guidelines issued by MoRTH for ADTCs. However, the budget allocation was surrendered at the close of the financial year as it could not be utilised.

Subsequently, JSBCCL submitted (August 2024) a model DPR with an estimate of ₹ 4.93 crore for each ADTCs, but DoT, instead of according administrative approval, requested (November 2024) JSBCCL to prepare three separate DPRs for ATT, Transport Bhawan with ATT and DTC with ATT.

Audit also noticed from records in the office of the Transport Commissioner that the Department had decided (March 2017) to establish commercial motor vehicle driving training centres in every district under the supervision of the Higher, Technical Education and Skill Development Department (HTESD). However, the HTESD had returned (November 2018) the land allotted by the Transport Department for the purpose following a decision that the centres would be constructed under the Transport Department's own supervision.

Audit observed that the Department, instead of utilising this already identified land ranging between two to 13 acres in 21 districts, initiated a fresh search for land to establish the ADTCs. This re-evaluation caused procedural delays, with only four districts communicating land availability after a lapse of two years. Resultantly, the ADTCs could not be established in the State even after more than three years, hampering the process of enhancing the commercial vehicle driver training infrastructure.

The DoT stated (June 2025) that the JSBCCL has authorised M/s Si+So Architect (May 2025) to prepare a master plan, drawings and DPRs of all types of training centres. The Department was, however, silent regarding non-utilisation of the already identified land.

2.3.3 Regulation and control over registration

Regulation and control over registration and use of vehicles through registration, issuing permits and fitness certificates are implemented by DTOs/RTAs in the State, as per applicable Acts/Rules. DTOs act as 'Registering Authorities' under Rule 40 of the JMVR and are responsible for registering motor vehicles including cars, motorcycles, commercial vehicles, *etc*. DTOs also have to ensure that vehicles comply with safety emission standards before registration.

The number of transport and non-transport vehicles registered in the State and in the six test-checked DTOs during 2019-24 is given in **Tables-2.6** and **2.7**.

[14] Chaibasa, Jamtara, Latehar and Ranchi.

Table-2.6: Number of transport and non-transport vehicles registered in the State during 2019-20 to 2023-24

FY	Transport	Non-transport	Total
2019-2020	56,784	5,34,375	5,91,159
2020-2021	32,584	4,22,950	4,55,534
2021-2022	32,480	4,10,843	4,43,323
2022-2023	45,143	4,56,969	5,02,112
2023-2024	57,608	4,95,386	5,52,994
TOTAL	**2,24,599**	**23,20,523**	**25,45,122**

Source: VAHAN dashboard

Table-2.7: Number of transport and non-transport vehicles registered in the six test-checked DTOs during 2019-20 to 2023-24

FY	Transport	Non-transport	Total
2019-2020	27,049	2,61,033	2,88,082
2020-2021	15,373	2,16,401	2,31,774
2021-2022	15,774	2,09,566	2,25,340
2022-2023	23,966	2,31,325	2,55,291
2023-2024	30,497	2,50,948	2,81,445
TOTAL	**1,12,659**	**11,69,273**	**12,81,932**
***Per cent* over State Total**	**50.16**	**50.39**	**50.37**

Source: VAHAN dashboard

Examination of records in the six test-checked DTOs revealed the following:

2.3.3.1 Registration of motor vehicles

Section 39 of the MV Act, read with Rule 42 of the CMV Rules, provides that a dealer shall not deliver any vehicle without registration, whether temporary or permanent. Further, Sections 40, 41, and 43 of the MV Act, read with Rule 47 of CMV Rules, stipulate that every vehicle owner must register their vehicle within seven days from the date of receiving the vehicle or within the validity period of the temporary registration on payment of tax levied under Section 5 of JMVT Act.

Audit analysed the data of temporary registrations (TRs) issued by the test-checked DTOs for registration by other registering authorities and *vice versa* in *VAHAN* and cross-verified it with the real-time *VAHAN* data of all India registration records, using the unique identifier key "Chassis Number" for the vehicles.

Audit noticed that out of the 81,493 TRs issued by the six test-checked DTOs during 2019-20 to 2023-24, 78,502 TRs were followed up with permanent registration. The remaining 2,991 TRs were not presented to any registering authority for permanent registration. Similarly, out of the 91,264 TRs issued by other registering authorities for registration by the test-checked DTOs, 87,615 were followed up with permanent registration, leaving 3,649 TRs still pending for permanent registration. DTO-wise status of TRs is shown in **Table-2.8**.

Table-2.8: DTO wise status of TRs

DTOs	TR issued by sampled DTOs	TR followed by Permanent Registration	TR not followed by Permanent Registration	TR issued for DTO by other authorities	TR followed by Permanent Registration	TR not followed by Permanent Registration
Giridih	633	577	56	1,928	1,827	101
Hazaribagh	3,033	2,806	227	7,838	7,353	485
Jamshedpur	36,470	36,359	111	51,743	49,518	2,225
Palamu	5,451	5,267	184	5,944	5,710	234
Ranchi	35,887	33,493	2,394	22,047	21,461	586
Simdega	19	0	19	1,764	1,746	18
Total	**81,493**	**78,502**	**2,991**	**91,264**	**87,615**	**3,649**

Thus, TRs of 6,640 motor vehicles (2,991 + 3,649) were not produced before the DTO concerned for permanent registration after receiving TRs as per the All India database of *VAHAN*. Audit further observed that while the system allowed for generating a list of issued TRs, it lacked an alert or notification mechanism to inform the registering authority regarding vehicles not registered within the validity period of their TRs. The DTOs also failed to generate and review these lists to enforce permanent registration within their jurisdictions, as well as identify such vehicles where TRs issued by them have not been registered with other authorities. This gap in monitoring and enforcement not only resulted in revenue loss but also increased the risk of vehicles operating without valid registration, making them difficult to track for regulatory purposes.

In reply, the Department stated that NIC has been instructed (June 2025) to facilitate provision of an alert system in *VAHAN*. Further, the Department also stated that such vehicles would be identified and action would be initiated.

2.3.3.2 Renewal of certificate of registration

Section 41(7) of the MV Act, read with Rule 52 of the CMV Rules, provides that a certificate of registration (RC) of a non-transport motor vehicle shall be valid for 15 years from the date of issue and shall be renewable for another five years after subjecting the vehicles to fitness test under Section 56 on payment of tax and appropriate fee as specified in the CMV Rules and the JMVT Act. The provision was amended (April 2021) to bring transport vehicles also under its ambit *i.e.,* renewal of RC after 15 years on application in Form 25. Accordingly, fee for renewal was also revised, effective from April 2022. In case of delay in renewal of registration of non-transport vehicles by more than one-month, additional fee at the rate of ₹ 500 per month was leviable.

The leviable fee and tax for renewal of RC of personalised vehicles (LMVs) and transport vehicles, is shown in **Table-2.9**.

Table-2.9: Leviable fee and tax for renewal of RC

Particulars	RC renewal fee	Inspection fee	MV tax	Green tax	Smart Card fee	Fine	Addl. fee
Personalised vehicles (LMVs)							
Fee/Tax/Fine	₹ 5,000	₹ 800	@3.5% or 4.5 % of cost price of vehicle	@10 % of MVT	@₹ 200 each	@ 2% of MVT p.m.	@ ₹ 500 p.m. in case of delay in application
Authority	Rule 81-4(d) of CMVR	Rule 81-10A(b) of CMVR	Sections 5(1) and 7(1) of JMVT	Sec 5(5) of JMVT	Rule 81 of CMVR	Sec 7(1) of JMVT	Rule 81 of CMVR
Transport vehicles							
Transport vehicles	₹ 5000-LMV ₹ 6000-others	-	-	-	@₹ 200 each	-	-
Authority	Rule 81-4(d) and (g) of CMVR	-	-	-	Rule 81 of CMVR	-	-

Cross verification of the registration records in *VAHAN* with real time data and information available at the test-checked DTOs revealed the following:

➢ Certificates of registration of 24,639 personalised vehicles (LMVs) registered between 1 April 2004 and 31 March 2009 had expired (as on 31 March 2024) and were pending for renewal in the test-checked DTOs. Further scrutiny revealed that out of these 24,639 vehicles, sale price (required for calculation of motor vehicle tax) in respect of 18,843 vehicles were not recorded in *VAHAN*. Audit test checked the records of 1,320 out of the remaining 5,796 vehicles with real time data and noticed that the validity of their registration had expired between April 2019 and March 2024.

➢ As per *VAHAN,* as of 31 March 2024 there were 2,62,499 transport vehicles in the State that were older than 15 years, of which, 1,60,358 vehicles were registered in the test-checked DTOs. It was further noticed that of these, certificates of fitness of 48,406 vehicles were renewed between 1 April 2022 and 31 March 2024 by the MVIs of the six test-checked districts. Out of this, 2,690 vehicles were more than 15 years old at the time of inspection by MVIs for renewal of CF. However, in contravention of extant provisions, the application for renewal of fitness had not been accompanied by the stipulated Form 25 (i.e. application for renewal of VRCs). This led to cases of issue of CF without ensuring renewal of VRCs. Audit test checked the records of 1,108 out of the 2,690 vehicles with real time *VAHAN* data in the DTOs and noticed that the validity of their registration had expired between 1 April 2022 and 31 March 2024.

Despite this, the owners of these 1,108 vehicles had neither applied for renewal of registration nor had the registering authority cancelled the certificate of registration of these vehicles. There was nothing on record to indicate that these vehicles were surrendered or suspended. This resulted in non-levy of revenue towards fee for renewal of registration, inspection fee, motor vehicle tax and green tax amounting to ₹ 8.08 crore from personalised vehicles (***Appendix I***). Fee for renewal of registration amounting to ₹ 64.44 lakh was also not levied from transport vehicles ***(Appendix II)***.

Audit further observed that though information regarding expiry of validity of registration was available in the application, the Department did not conduct periodic reviews to assess and identify such cases and initiate action for renewal of certificate of registration.

Besides the above, during compliance audit of 13 test-checked DTOs in 2023-24, Audit noted similar cases where out of 7,748 transport-vehicles test-checked, CF of 1,835 vehicles and VRCs of 2,099 vehicles that were over 15 years old, were pending renewal since 1 April 2022. This resulted in non-levy of CF and VRC renewal fee amounting to ₹ 2.55 crore.

The Department stated (September 2025) that the NIC has been requested for mapping the provision of RC renewal in *VAHAN* for transport vehicles.

2.3.3.3 Recording of present address

Section 48 of the MV Act read with Rule 58 of the CMV Rules mandates that an application for transfer of a motor vehicle to a State other than the State of its registration must be accompanied by a No Objection Certificate (NOC) issued by the original registering authority. Additionally, Section 49 and Rule 59 stipulate that if the vehicle owner's place of residence or business changes, the owner must notify the registering authority of the change within thirty days.

Audit analysed the real-time data of NOCs issued by the six test-checked DTOs during the period 2019-20 to 2023-24 for recording present address in another State and *vice versa* in *VAHAN*. This data was cross-verified with the *VAHAN* database of all India registration records, using the unique identifier key "Chassis Number" for the vehicles.

It was observed that out of 12,388 NOCs issued during 2019-20 to 2023-24 by the test-checked DTOs, 3,158 NOCs had not been presented to the other registering authorities. Similarly, out of 14,374 NOCs issued by registering authorities of other States, 8,057 NOCs were not presented to the test-checked DTOs (**Table-2.10** and **2.11**).

Table-2.10: Status showing NOCs issued by test-checked DTOs in Jharkhand for transfer of vehicles to other States

DTO	NOC issued by the DTO	NOC presented before registering authorities of other States	NOC not presented before the registering authority
Giridih	225	154	71
Hazaribagh	2,705	2,190	515
Jamshedpur	4,669	3,504	1,165
Palamu	593	573	20
Ranchi	4,033	2,674	1,359
Simdega	163	135	28
Total	**12,388**	**9,230**	**3,158**

Table-2.11: Status showing NOCs issued by registering authorities of other States for transfer of vehicles to test-checked DTOs in Jharkhand

DTO	NOC issued by registering authorities of other States	NOC presented before the test-checked DTOs	NOC not presented before the test-checked DTOs
Giridih	900	526	374
Hazaribagh	2,959	547	2,412
Jamshedpur	6,722	3,691	3,031
Palamu	309	74	235
Ranchi	3,099	1,172	1,927
Simdega	385	307	78
Total	**14,374**	**6,317**	**8,057**

Non-production of NOCs of the vehicles to record the present address in the RC resulted in the possible risk of evasion of taxes and fees by vehicle owners. Audit further observed that though *VAHAN* facilitated generation of list of NOCs issued, the DTOs neither generated such lists for review of non-registered vehicles nor did they identify vehicles where NOCs issued by them had not been presented to other registering authorities. This enabled these vehicle owners to avoid registering their vehicles at the new locations and evade the tax net.

The DoT stated (June 2025) that NIC has been directed (May 2025) to incorporate an automated alert system as also provision for tracking of NOC issued vehicles, in coordination with MoRTH.

2.3.3.4 Local registration mark

Section 47 of the MV Act and rules made thereunder provides that when a motor vehicle is kept in a State other than the registering State for more than 12 months, the owner is required to apply for assignment of a local registration mark[15]. The fee for assigning the registration mark is prescribed under Rule 81 of the CMV Rules.

Analysis of *VAHAN* database revealed that 46,819 motor vehicles had migrated to Jharkhand from other States (between March 2000 and March 2024). Cross-check (between September and December 2024) of details of 12,939 vehicles registered in the test-checked DTOs with real-time taxation records in *VAHAN* revealed that 1,213 vehicles were operating in the State for more than 12 months with registration marks of previous States. Audit further observed absence of any system alert or notification in *VAHAN* regarding duration of stay in the State, while accepting motor vehicle tax in case of migrated vehicles. The DTOs also did not review and verify the duration of stay of these vehicles while collecting taxes. Thus, in the absence of an automated monitoring system in

[15] A local registration mark is a new vehicle registration number assigned by the concerned State's registering authority to vehicles that have migrated from other States, based on the submission of a valid No Objection Certificate (NOC).

VAHAN and due diligence on the part of Departmental officers, the Department could not identify the number of migrated vehicles operating in the State for more than 12 months. Consequently, applicable fees and fines amounting to ₹17.22 lakh from 1,072 vehicles in the test-checked DTOs was not realised ***(Appendix-III)***.

Audit had previously highlighted the matter in the Audit Report for the year ended 31 March 2019 (Paragraph 2.1.11.4). The Department, despite assurance that corrective measures would be taken, had not addressed the issue, as of May 2025.

The DoT stated (June 2025) that NIC has been directed (May 2025) to incorporate an automated alert system in *VAHAN* to issue alerts to the vehicle owners and the registering authorities for assignment of local registration mark before completion of 12 months.

2.3.3.5 Revision in Registered Laden Weight of transport vehicles

The registering authority determines a motor vehicle's laden weight using Form 21 (Sale Certificate) under Rule 47 of CMV Rules, which reflects the manufacturer's specifications in accordance with MoRTH guidelines. MoRTH revised (July 2018) the safe axle weight for various types of transport vehicles based on tyre size, axle configuration, and other relevant factors. The revised safe axle weight was to be considered for revising the Registered Laden Weight[16] (RLW) of vehicles manufactured prior to this revision. A list of existing models of transport vehicles, the RLW of which were required to be revised was also issued for the purpose. The Department endorsed (July 2018) this revision to the DTOs and MVIs with instructions to comply with the notification issued by MoRTH. Vehicles manufactured after the notification already adhere to the revised guidelines, and their Sale Certificate reflects the updated RLW and does not require further revision.

Analysis of *VAHAN* database of registration and alteration of motor vehicles revealed that during 2019-20 to 2023-24, 13,906 goods vehicles in the State had undergone alterations in their RLWs of which 5,448 were in the test-checked DTOs. Audit test-checked records of these vehicles and noticed that in four DTOs[17], RLWs of 335 vehicles, manufactured between October 2018 and March 2024, were revised upward ***(Appendix-IV)*** in contravention to MoRTH's notification. Thus, the inability of the Department to enforce proper control checks in *VAHAN*, and lack of supervision and monitoring by the registering authorities resulted in irregular revision of RLW of transport vehicles.

The DoT stated (June 2025) that the vehicle owners have been directed to submit Registration Certificates (RCs) for correction of the RLW.

2.3.3.6 Misclassification of vehicles

The GoJ introduced changes to the taxation structure (31 January 2019) through the JMVT (Amendment) Act, 2018. This amendment brought Construction

[16] Total vehicle weight and load certified and registered by the registering authority as permissible for that vehicle.

[17] Giridih, Hazaribagh, Jamshedpur and Palamu.

Equipment Vehicles (CEVs) under the scope of One-Time Tax (OTT). Prior to the amendment, taxes for CEVs were calculated based on their RLW. CEVs were now to be levied one-time payment (OTT) equivalent to seven *per cent* of the sale value, applicable for 12 years, as per the amended provisions.

Analysis (between November and December 2024) of the *VAHAN* database, focusing on the fields "vehicle class" and "body types", revealed discrepancies in classification of CEVs in four[18] out of the six test-checked DTOs.

Audit noticed that quarterly tax on the basis of RLW, instead of OTT, was being levied from 2,686 CEVs registered prior to 31 January 2019. This discrepancy arose due to these vehicles being classified as "goods vehicles" during their registration prior to the amendment. However, the vehicle class of these vehicles should have been revised to "CEV" after amendment of the provisions so as to apply OTT based on their sale value. The Department remained unaware of this discrepancy and continued to levy and collect quarterly tax as generated through *VAHAN* in contravention of the amended provisions. This resulted in short levy of taxes amounting to ₹ 2.01 crore against 112 vehicles ***(Appendix-V)***.

The sale values of the remaining 2,574 CEVs were not recorded in *VAHAN*. Hence, Audit could not assess the OTT that was leviable against these vehicles.

Non-identification of such misclassified vehicles indicated lapses in the monitoring mechanism and undermined the effectiveness of tax revisions to enhance revenue from motor vehicle tax.

Similar discrepancies was also noticed during compliance audit in 2023-24, wherein 606 transport vehicles (registered between December 2006 and September 2018) were found to have been misclassified as goods vehicles instead of CEVs in three DTOs[19], resulting in short levy of ₹ 1.56 crore against 89 vehicles. The OTT on the remaining 517 vehicles could not be assessed due to non-recording of sale value in *VAHAN*.

The DoT stated (June 2025) that the list of misclassified CEVs were being forwarded to NIC for correction in class of vehicles. It was further stated that recovery of ₹ 2.89 lakh from two vehicles has been intimated by DTO, Simdega. The Department further intimated (September 2025) that ₹ 0.02 crore has been realised from five vehicles.

2.3.3.7 Categorisation of buses

The GoJ introduced separate tax rates for various categories of buses, namely, ordinary, semi-deluxe, and deluxe through the JMVT (Amendment) Act, 2018. Prior to this amendment, these categories were subject to the same tax rate. The number of seats in a bus with a specific wheelbase varied depending on its categorisation as per the Automotive Industry Standard (AIS-052) and the amended Act. As per the amendment, semi-deluxe and deluxe category buses would have lesser number of seats than ordinary buses, but the rate of tax for these two categories, was higher. The inspecting authority (MVI) was required to conduct inspections of vehicles to determine the category of buses on the

[18] Giridih, Jamshedpur, Palamu and Simdega.

[19] Dumka, Godda and Lohardaga.

basis of comfort level, and fix the number of seats as per the wheelbase specifications laid down in the proviso to Section 7(3) of the JMVT Act, 2001.

Audit filtered the data of buses for which seating capacity was revised following the amendment in the alteration module of *VAHAN* in the test-checked DTOs. It was noticed that out of 1,698 test-checked buses, seating capacity of 42 buses in four DTOs, were revised between 2019-20 to 2023-2024. Audit further observed that MVIs, upon inspection of vehicles, had amended (reduced) the number of seats and revised the category (semi-deluxe or deluxe) of the buses. The revision in seating capacity was recorded in *VAHAN* and taxes were being levied accordingly. However, the category of these vehicles had not been revised in *VAHAN* and it remained 'ordinary buses' attracting even lower rates of taxes than that applicable pre-revision, as detailed in **Table-2.12**.

Table-2.12: Difference in taxes due to non-revision of category

DTO	No. of buses	Tax on pre-revised seating capacity (In ₹)	Tax on revised seating capacity (In ₹)	Difference in Tax (₹)
Giridih	4	3,96,340	3,02,261	94,079
Hazaribagh	20	30,62,915	22,75,480	7,87,435
Jamshedpur	3	1,79,400	1,52,922	26,478
Ranchi	15	13,29,626	10,35,818	2,93,808
Total	**42**	**49,68,281**	**37,66,481**	**12,01,800**

Audit scrutinised the database and records to ascertain the reason for such lapses and observed that the MVIs, responsible for recording the alteration in seating capacity and category of the buses in *VAHAN,* had updated only the revised seating capacity. The DTOs also did not detect the discrepancy and approved the partial alteration recorded by the MVIs in *VAHAN* resulting in short levy of taxes. Thus, lack of due diligence on the part of inspecting and registering authorities to comply with provisions undermined the revenue interest of the State.

The DoT stated (June 2025) that the list of vehicles has been provided to the concerned MVIs for revision of category of buses. It was further stated that category of three buses has been revised and ₹ 0.35 lakh has been realised.

2.3.3.8 Dispatch of vehicles by manufacturer/dealer

As per the provisions of Section 39 of the MV Act and Rule 33 of the CMV Rules, the registering authority issues trade certificates (TCs) to manufacturers, dealers, importers, or testing agencies for movement of vehicles. The holder of the trade certificates uses the Trade Registration Mark (TRM) on the vehicles in his possession for movement outside their premises. They are also required to pay trade tax under Section 6 of JMVT Act, 2001, for the vehicles under their possession during the course of business. In the absence of trade registration mark, either temporary or permanent registration of the vehicles must be done on payment of required fee and tax for movement on road. The GoI revised the validity of Temporary Registration (TR) issued for registration in other States as six months, effective from April 2021, under Rule 53-A of the CMV Rules.

Section 7(4) of the JMVT Act specified 1/12th of the annual tax for issue of TRs.

M/s Tata Motors is a vehicle manufacturer, authorised under Rule 52-A of the JMV Rules to issue TRs for dispatch of vehicles manufactured by them. The Company has been provided access to *VAHAN* (October 2018) for issue of TRs and TRMs for vehicles manufactured by them for movement outside their premises.

- Scrutiny of records relating to TRs issued by M/s Tata Motors revealed that the Company had dispatched 2,28,911 vehicles to other States through TRs on which tax amounting to ₹ 65.47 crore was levied during 2021-22 to 2023-24. Audit, however, noticed that the validity of TRs issued by the Company during the period was for one month instead of six months as required under the provisions of Rule 53-A. As a result, the Company paid tax amounting to only ₹ 65.47 crore instead of ₹ 392.82 crore resulting in short levy of tax of ₹ 327.35 crore as shown in **Table-2.13**.

Table-2.13: Short realisation/deposit of tax of TRs

Year	No. of vehicles dispatched on TRs	Tax levied (₹ in crore)	Tax leviable (₹ in crore)	Short levy of tax (₹ in crore)
2021-22	69,171	18.46	110.74	92.28
2022-23	80,774	23.93	143.59	119.66
2023-24	78,966	23.08	138.49	115.41
Total	**2,28,911**	**65.47**	**392.82**	**327.35**

- Further scrutiny of records of M/s Tata Motors revealed that 1,05,321 vehicles were dispatched during the year 2023-24. Out of these, 26,355 vehicles were dispatched to various agencies and dealers across the country, using TRMs, as detailed in **Table-2.14**.

Table-2.14: Vehicles dispatched using Trade Registration Marks

Sl. No.	Category	Number of Vehicles Dispatched
1	Vehicles dispatched to RSO of the Company on stock transfer using Tata Motors’ trade registration mark	22,786
2	Vehicles sold and dispatched to dealers using Tata Motors’ trade registration mark	379
3	Dealers who used their own trade registration mark	3,190
4	Vehicles dispatched on temporary registration	78,966
Total		**1,05,321**

Source: Data furnished by M/s Tata Motors

It can be seen from **Table 2.14** that 379 vehicles were sold to dealers. Although sale invoices were generated, these vehicles were irregularly dispatched using Tata Motors' TRMs without payment of fee and tax amounting to ₹ 36.92 lakh ***(Appendix-VI)***.

Audit observed that though the Company had access to *VAHAN*, it was not carrying out activities relating to temporary registration of vehicles and trade certificate through *VAHAN*. This allowed the Company to dispatch sold vehicles to other dealers using their TRMs as well as grant TRs with incorrect validity. The Department also did not take any steps to ensure that the Company was carrying out activities relating to registration of vehicles and trade certificate through *VAHAN* resulting in non/short realisation of fee and tax amounting to ₹ 327.72 crore.

Similarly, during compliance audit in 2023-24, it was observed that M/s Tata Motors Ltd. had dispatched 687 vehicles, sold to dealers, on TRM during 2022-23, resulting in non-levy of fees and taxes amounting to ₹ 1.13 crore.

The DoT stated (June 2025) that M/s Tata Motors would be directed to access *VAHAN* for managing of TRs/TRMs and to ensure regular monitoring of its usage. It was further stated that a demand for realisation of arrear taxes had been issued (January 2025) by DTO, Jamshedpur.

2.3.4 Certificate of fitness of transport vehicles

As per Section 56 of the Motor Vehicles Act, a transport vehicle is deemed to have a valid VRC only if it carries a valid certificate of fitness (CF). Under Rule 51 of JMV Rules, 2001, CFs are to be issued/renewed by the MVI or authorised testing stations under the control of the registering authority. Apart from the visual tests, the inspection process as specified in Rule 62 of CMV Rules, 1989, requires some functional tests (headlamps, braking, steering, *etc*.), necessitating proper equipment for the purpose. Further, MoRTH introduced (September 2021) the concept of Automated Testing Stations (ATSs) for issuance of CF using automated testing equipment.

There was only one ATS in the State as of March 2024.

2.3.4.1 Certificate of fitness issued by Motor Vehicle Inspectors

Rule 63 of CMV Rules, 1989, lays down the requirements for maintenance of premises, inspection lanes and testing equipment to conduct tests *etc*., for licensing of authorised testing stations.

As per information available on the *VAHAN* dashboard, 1,77,382 and 52,300 CFs were issued by the MVIs and authorised/automated testing stations of the test-checked DTOs respectively, during 2019-20 to 2023-24 ***(Appendix-VII)***. Audit of the system and procedures for renewal of CFs of motor vehicles by the MVIs and authorised testing stations in the test-checked districts revealed that, while the requirement for maintenance of premises, inspection lanes and testing equipment was specified for authorised testing stations, no specific requirements were laid down for MVIs to conduct fitness tests. The MVIs had carried out the tests of the vehicles, without equipment and infrastructure, on open ground and without inspection lanes. Out of 2,29,682 CFs renewed during 2019-20 to 2023-24, 77 *per cent* CFs were renewed by MVIs without adequate infrastructure and equipment.

It was further seen that only one district Automated Testing Station (Hazaribagh) in the State was functioning during 2019-20 to 2023-24 to facilitate testing through automated vehicle testing equipment. Thus, renewal of fitness was being carried out without subjecting the vehicles to the prescribed tests and as such, the possibility of grant of CFs to unfit vehicles could not be ruled out.

Audit had previously highlighted the matter in the Audit Report for the year ended 31 March 2015 (Paragraph No. 4.3.24). Despite assurances to take corrective measures, the matter had not been addressed by the Department, as of May 2025.

The DoT stated (June 2025) that action was being taken to establish Automated Testing Centres. It was further stated that the MVIs have been instructed to follow the prescribed standard while issuing CFs of vehicles.

Recommendation 3: The Department may consider establishment of Automated Testing Stations in all districts of the State as well as equip Motor Vehicle Inspectors with necessary infrastructure and equipment to conduct fitness tests.

2.3.4.2 Renewal of certificate of fitness of transport vehicles

Rule 62 of the CMV Rules stipulates that the CF for transport vehicles is valid for two years from the date of registration, renewable every two years up to eight years, and annually thereafter. In case of delay in renewal, additional fee of ₹ 50 for each day of expiry of the certificate was leviable (as effective from April 2022). The Rule further provided that the registering authority may suspend the registration of vehicles without a valid CF. Further, the JMVT Act provides for levy of green tax on registered transport vehicles, which are more than 12 years old, at the rate of 10 *per cent* of the total leviable tax, from 31 January 2019 onwards.

➢ Analysis of *VAHAN* database revealed that there were 5,07,122 transport vehicles registered in the test-checked DTOs, out of which the CFs of 93,262 vehicles had expired between April 2019 and March 2024. Audit test checked records relating to the fitness expired transport vehicles and found that taxes were paid beyond the validity of the CFs in 4,458 cases, indicating that the MV taxes were paid without regularly renewing the vehicles' CFs. There was nothing on record to indicate that these vehicles were surrendered, or their RCs had been suspended. Thus, lack of initiative on the part of the Department to identify vehicles with expired CFs and enforce their renewal resulted in a revenue loss of ₹ 7.58 crore in fees and fines from 4,458 vehicles in the test-checked DTOs, as detailed in **Table-2.15**.

Table-2.15: Non-levy of revenue in the form of fees and fine

Sl. No.	Transport vehicles	Number of vehicles with expired CFs	No of cases test-checked	CF+ Inspection fee (in ₹)	Fine @ ₹ 50 per day	Total (in ₹)
1	Upto age of 15 years	76,117	3,081	21,94,800	Kept in abeyance[20]	21,94,800
2	Older than 15 years	17,145	1,377	1,58,32,900	5,77,30,950	7,35,63,850
Total		**93,262**	**4,458**	**1,80,27,700**	**5,77,30,950**	**7,57,58,650**

[20] Vide order of the Hon'ble High Court of Jharkhand, Ranchi in W.P.(C) No.-1462 of 2018 with I.A. No.-3978 of 2019.

Similarly, during compliance audit in 2023-24, 6,003 transport vehicles with expired CFs (between April 2019 and October 2023) were found in 13 test-checked DTOs. This resulted in non-levy of fee and fines amounting to ₹ 7.27 crore.

In response, the DoT stated (June 2025) that the concerned DTOs have instructed the MVIs to take necessary action for renewal of CFs. It was further stated that the CFs of 422 vehicles have been renewed, and an amount of ₹ 1.51 crore has been realised in four DTOs[21]. Further, the Department informed (September 2025) that CFs of 577 vehicles have been renewed and revenue of ₹ 0.22 crore realised.

- Audit further examined the module for collection of green tax in *VAHAN* and found that levy of green tax was included in the module for renewal of CFs of vehicles instead of in the module for payment of regular motor vehicle tax. Levying green tax only at the time of CF renewal not only violates the statutory provision but also creates the possibility of tax evasion as while CF is renewed annually, Green Tax can be paid quarterly, half-yearly or annually.

- On analysis of *VAHAN* data, it was noticed that there were 2,18,087 vehicles older than 12 years in the six test-checked DTOs and CFs of 2,08,229 such vehicles had expired, as of 31 March 2024. As such, green tax at the rate of 10 *per cent* of leviable motor vehicle tax was not levied/collected. Audit test checked 1,25,518 cases and found in 1,469 cases that taxes were paid for more than one year beyond the period of validity of CFs, but green tax amounting to ₹ 60.13 lakh (up to March 2024) had not been levied/collected from these vehicles due to non-renewal of CFs ***(Appendix-VIII)***. Thus, green tax was not collected from vehicles whose regular taxes were paid but CFs were not renewed. Further, green tax was calculated from the date of CF renewal instead of the date of the last motor vehicle tax payment, resulting in under-levy of green tax for vehicles with CFs overdue by more than one year.

As a result, green tax amounting to ₹ 21.35 lakh (from the date of renewal of CF for one year) only would be levied from these vehicles instead of ₹ 81.48 lakh (₹ 60.13 lakh + ₹ 21.35 lakh) on renewal of CF, as explained in **Case Study-2.2**.

Case Study-2.2

A specific case was identified involving a transport vehicle (JH02XXXX5) registered in DTO, Hazaribagh, where tax validity had been extended up to 12 June 2023, but the CF had expired on 22 September 2019. The applicable green tax rate was ₹ 560 per annum. The *VAHAN* application system levied ₹ 560 for the period from 27 February 2020 to 26 February 2021 on renewal of CF in February 2020, but failed to charge green tax for the preceding period *i.e.,* from 31 January 2019 to 26 February 2020, resulting in short levy of tax of ₹ 600.

Audit observed that even though information regarding expiry of validity of CFs was available in *VAHAN*, there was no built-in validation mechanism to flag expired CFs while accepting tax payments. The DTOs and the Department did not conduct periodic reviews to assess and identify vehicles due for CF renewal

[21] Hazaribagh, Palamu, Ranchi and Simdega.

and also remained unaware of the discrepancies in levy of green tax in *VAHAN*. As a result, the system in place not only failed to identify and ensure renewal of CFs but also had inherent flaws leading to revenue leakage.

In reply, the DoT stated (June 2025) that the NIC had been instructed (between December 2024 and March 2025) to link Green Tax with payment of motor vehicle tax module in *VAHAN*.

2.3.5 Issue of permits

Section 66 of the MV Act provides that the owner of a transport vehicle can use his vehicle in a public place only after obtaining a permit from the prescribed authority. As per the MV Act, "transport vehicle" means a public service vehicle, a goods carriage, an educational institution bus or a private service vehicle. The Transport Commissioner, who is the State Transport Authority (STA), is empowered to grant all India permits to tourist vehicles and inter-State permits to stage carriages and goods carriages, as per the terms of inter-State agreements. The Regional Transport Authorities (RTAs) grant national permit, stage carriage permit, contract carriage permits, goods carriage permits, *etc*. The following permits with respect to transport vehicles are issued by STA/RTAs.

Type of Permit	Purpose
Goods Carrier Permit	This permit is required for vehicles used for the carriage of goods for hire or reward.
Contract Carriage Permit	Issued for vehicles hired on a contractual basis for the exclusive use of the contracting party.
Stage Carriage Permit	Specifically for vehicles used for the carriage of passengers on designated routes with fixed schedules and stopping points.
Tourist Vehicle Permit	Allows vehicles to operate as tourist taxis or cabs for transporting tourists within a specified area or for outstation tours.
National Permit	Allows commercial vehicles to operate across State borders, facilitating inter-State transportation of goods or passengers.
Maxi Cab Permit	Specific to certain cities or regions and is issued for vehicles designed to carry more passengers than traditional taxis but less than buses.

The year-wise number of permits granted by RTAs in Jharkhand during 2019-20 to 2023-24 is shown in **Table-2.16**.

Table-2.16: Year-wise number of permits issued in the State during 2019-24

Year	Number of permits issued	Year-on-Year Growth (in *per cent*)
2019-20	2,896	
2020-21	7,108	145
2021-22	10,342	45
2022-23	18,309	77
2023-24	26,230	43

Source: VAHAN Dashboard

To streamline the issuance of Intra-State permits and permits under bilateral agreements with neighbouring States, the Department developed an online application system, SPERMIT, in 2017. This platform enables digital submission and processing of permit applications. Existing permit records were digitized and integrated into the system, and various fee structures were mapped accordingly. The Department uses the *VAHAN* platform for issuance of All India Permits and National Permits.

2.3.5.1 Authorisation for National Permits (NPs)

Under the provisions of the MV Act and the CMV Rules, National Permits (NPs) are granted to goods vehicles for a period of five years or until the vehicle reaches the prescribed age limit, whichever is earlier. These permits issued by the concerned RTAs allow goods vehicles to operate throughout India. According to Section 81, read with Rule 87, the authorisation for NPs is renewed annually on payment of authorisation (₹ 1,000) and composite fees (₹ 16,500) till the expiry of the permit or its surrender. In case of non-renewal, penalties shall be applied as per the provisions in Rule 82 (8) of the JMV Rules, 2001.

Analysis of *VAHAN* data revealed that three test-checked RTAs had issued 14,984 NPs during 2019-20 to 2023-24. Audit test checked 9,961 of these NPs and found that in 1,443 cases, subsequent authorisation for renewal was not completed as the permit holder had not submitted application. However, Permit, RC and tax payment records confirmed that these vehicles were still active and were neither off-road nor had their permits been surrendered or had expired. The owners of these vehicles failed to apply for renewal of authorisation despite the expiry of the validity period.

Audit observed that due to the absence of integration between the permit and the tax collection modules, *VAHAN* lacked a built-in alert mechanism to flag such vehicles (with expired NPs) during tax collection. The Department also did not independently review such cases to identify vehicles due for renewal of authorisation of NPs resulting in non-realisation of revenue amounting to ₹ 5.26 crore (composite fee: ₹ 3.60 crore, authorisation fee: ₹ 0.41 crore, and late fees: ₹ 1.25 crore).

Similarly, during compliance audit for the period 2023-24, Audit noticed that authorisation of 1,461 out of 5,254 national permits issued between 2018-22 in two RTAs (Hazaribagh and Dumka) had not been renewed. This led to non-realisation of revenue amounting to ₹ 5.62 crore (composite fee: ₹ 4.12 crore, authorisation fee: ₹ 0.25 crore, and late fees: ₹ 1.25 crore).

The DoT stated (June 2025) that the NIC had been instructed to incorporate an alert mechanism to flag expiry of the validity of national permits for monitoring and necessary action. It was further stated that authorisation of 398 vehicles had been renewed and revenue of ₹1.20 crore has been realised by the test-checked RTAs. The Department further informed (September 2025) that authorisation of 445 national permits had been renewed and revenue of ₹1.46 crore realised.

2.3.5.2 Permit fee for educational institution bus

Section 2 of the MV Act defines an "educational institution bus" as an omnibus owned by an educational institution, used exclusively for transporting students or staff in connection with its activities. Further, a "contract carriage" has been defined as a motor vehicle engaged under a contract for the exclusive use of passengers. The fees for permits related to stage and contract carriage vehicles are prescribed in Rule 74 of the JMV Rules. In addition, a surcharge of 50 *per cent* of the permit fee is applicable to contract carriage permits.

Audit scrutiny of permit files, registers and data of contract carriage permits issued/renewed for educational institution buses, maintained in SPERMIT, revealed discrepancies in the fees levied, as shown in **Table-2.17**.

Table-2.17: Permit fee

Sl. No	Period	Permit fee leviable	Permit Fee levied	Surcharge levied *(@ 50 per cent of permit fee)*
1	Upto September 2013	1,000	1,000	500
2	From October 2013	2,000	3,000	1,500
3	From January 2014	2,000	4,000	2,000
4	From August 2021	3,000	9,000	4,500
5	From September 2023	2,000	6,000	3,000

Audit observed that permit fee for educational institution buses was levied correctly up to September 2013. Thereafter, permit fees for these buses was levied incorrectly from time to time. It was further noticed that the incorrect amount of permit fee levied in such cases was due to non-mapping of educational institutional buses as contract carriage in SPERMIT.

In reply, the DoT stated (June 2025) that the Joint Transport Commissioner has been instructed (May 2025) to map the correct fee in SPERMIT.

2.3.5.3 Processing of application for permits

As per Rule 66 of the JMV Rules, it is mandatory for RTAs to hold a minimum of one meeting each month to ensure the smooth functioning of their responsibilities with regard to grant/renewal of Intra-State stage carriage permits. The agenda of the meeting addresses permit applications, approving or rejecting them, and improving processing efficiency. Processing of permit related applications was one of the agenda items to be included for the meetings.

Details of meetings held in the three test-checked RTAs during 2019-20 to 2023-24 were as shown in **Table-2.18**.

Table-2.18: Number of Meetings Held (2019-24)

Year	Ranchi	Hazaribagh	Palamu	Total
2019-20	1	2	2	5
2020-21	0	0	0	0
2021-22	0	0	0	0
2022-23	1	2	1	4
2023-24	1	1	0	2
Total	**3**	**5**	**3**	**11**

Source: Information furnished by RTAs

It can be seen from **Table-2.18** that during 2019-20 to 2023-24, only 11 meetings (six *per cent*) were held across three RTAs (Ranchi: 3, Hazaribagh: 5 and Palamu: 3) which was significantly below the required 180 meetings (12 meetings per year per RTA).

Audit cross verified data related to 1,175 cases of permits processed through SPERMIT with records related to meetings held for grant/renewal of Intra-State stage carriage permits. Details of delays in processing of these permits were as shown in **Table-2.19.**

Table-2.19: Delays in processing permits for stage and contract carriage applications during 2019-20 to 2023-24

RTAs	Permits issued (Nos.)	Delay in issue (Days)	Permits renewed (Nos.)	Delay in renewal (Days)	Permits transferred (Nos.)	Delay in transfer (Days)	Vehicles replaced against the permit (Nos.)	Delay in replacement (Days)
Ranchi	291	92-1,617	127	34-1,775	0	0	42	82-1,832
Hazaribagh	316	75-929	36	35-1,838	5	508-1,577	36	93-1,688
Palamu	100	33-1,324	29	42-1,282	7	574-1,660	10	61-1,827
Total	**707**		**192**		**12**		**88**	

Source: SPERMIT database

It can be seen from **Table 2.19** that there were significant delays in processing of permit applications. Out of 1,175 permit applications, 999 permit applications (85 *per cent*) were processed with delays ranging from 33 to 1,838 days. The delays in processing of permit applications was seen across all the three RTAs, with delays in Ranchi ranging from 34 to 1,832 days, Hazaribagh from 35 to 1,838 days, and Palamu from 33 to 1,827 days. The meetings, as envisaged in the JMV Rules, have a vital role to play in processing permit applications, and not holding them regularly affected timely grant and renewal of permits. The delays in processing permit applications extended up to five years in some cases and the possibility of these vehicles plying without valid permits cannot be ruled out.

In reply, the DoT stated (June 2025) that the processing of permit applications had been delayed due to shortage of manpower in the RTAs. It was further stated that meetings could not be held in RTA, Hazaribagh, as complaints have been received against the non-official member of the RTA.

2.3.5.4 Renewal of stage carriage and educational institution bus permits

Section 81 of the MV Act provides that a vehicle permit, other than a temporary permit, shall be valid for a period of five years and may be renewed on an application made not less than 15 days before the date of its expiry. Rule 82(8) of the JMV Rules states that the Authority may accept an application for renewal of a permit after expiry of period of the permit, provided a late fee is paid. Further, Rule 86 (5) of JMV Rules stipulates that the permit holder, on expiry of the permit, shall deliver the permit to the Transport Authority concerned within three days in case of stage carriers and seven days in other cases.

Audit test-checked the permit registers related to stage carriage permits and permits issued to educational institution buses and cross-verified it with the data maintained in SPERMIT application and report returns in the three test-checked RTAs. Out of 1,985 permits test-checked, 1,373 permits had been renewed during 2019-20 to 2023-24 while the remaining 612 permits had not been renewed.

Audit scrutiny revealed that of these 612, the tax and fitness certificates of 258 public service vehicles, including both stage carriage (92) and educational institution buses (166) were up-to-date and eligible for permit renewal, but their permits had not been renewed after expiry. There was nothing on record to show that these vehicles were off-road, or that the permits had been surrendered. Further, there was no integration between SPERMIT and *VAHAN* to facilitate monitoring of the permit defaulters. Thus, the Department/RTAs and the State enforcement wing failed to identify these vehicles resulting in non-realisation of revenue amounting to ₹ 46.79 lakh, inclusive of permit fee, application fee and late fee ***(Appendix-IX)***.

In reply, the DoT stated (June 2025) that the concerned RTAs had published notices in local newspapers instructing permit holders to renew the permits of their vehicles.

2.3.5.5 Non/incorrect mapping of provisions in the applications

The State Transport Authority, Jharkhand has mandated (September 2018) that all applications for new permits, permit renewals, transfer of permits, and replacement of vehicle under permits are to be submitted exclusively through SPERMIT, with requisite fees paid online. Similarly, applications for NPs were to be submitted through *VAHAN*.

Audit analysis of the various services related to permits through SPERMIT and *VAHAN*, against the backdrop of applicable provisions, revealed the following deficiencies due to non/incorrect mapping of provisions in the applications.

1. Although the renewal fee of permits was integrated into the SPERMIT system, the provision for levying late fee for delayed applications for renewal was not mapped into the system. The late fee for delayed application of renewal of permits was being levied/calculated manually by the RTAs and collected separately through SBI Collect. This allowed permits to be renewed through SPERMIT without necessitating payment

of the applicable late fine. As a result, there were instances of delayed permit renewals where the late fee was not collected at all and the system permitted renewal of permits without ensuring payment of the applicable late fee.

2. As per Section 83 of the Motor Vehicles Act, a permit holder may replace the vehicle covered under the permit with another of the same nature. Additionally, Rule 83 of the Jharkhand Motor Vehicles Rules allows such replacement even with a vehicle not owned by the permit holder. This means that upon replacement, the permit continues in the name of the original holder, regardless of the ownership of the new vehicle. Audit analysis of SPERMIT revealed that, on replacement of vehicle, the permit is automatically transferred in the name of owner of the vehicle instead of in the name of permit holder.

3. The special taxi permit under contract carriage (casual or particular) and permit fee thereof, leviable vide Rule 74 (x) of JMV Rules, was not mapped in *VAHAN* resulting in non-issue of permits under this category and possible revenue loss.

4. All transport vehicles must have a valid permit to operate in public places; therefore, each class of transport vehicle must be mapped in the system for the applicable permit to be issued by the transport authorities. However, it was noticed that all the classes of transport vehicles were not mapped in all the modules of SPERMIT, *viz*., camper, mobile workshop vans *etc*.

5. SPERMIT could not generate list of defaulter vehicles of other States. This hinders enforcement and leads to revenue loss due to non-payment of tax and permit violations.

Audit observed that the DoT did not conduct any periodic review of SPERMIT to ascertain compliance of provisions or set up a committee/monitoring unit to ensure compliance to existing provisions in the functioning of SPERMIT. Further, permit related actions were not integrated with *VAHAN*, preventing the establishment of an effective control mechanism for various services accessed through the *VAHAN* portal.

The DoT stated (June 2025) that NIC had been directed (May 2025) to carry out security audit of SPERMIT.

The reply of the Department is not convincing as security audit of SPERMIT would not resolve the functional deficiencies which affect compliance, transparency, enforcement and revenue collection. An effective monitoring mechanism of the system is required for the purpose.

2.3.6 Implementation of regulations

2.3.6.1 Automated Fitness Management System

MoRTH notified (September 2021) a policy for the recognition, regulation, and control of Automated Testing Station (ATS) for vehicle inspection and issuance of CFs. The policy envisaged that the Central Government would set up an electronic portal for booking fitness tests after uploading the required documents. The Central Government launched (May 2024) the "Automated Fitness Management System (AFMS)," a digital platform integrating all functional ATS and allowing vehicle owners to book or reschedule fitness tests at designated ATS, view results, download certificates, and appeal against test results.

Further, the Central Motor Vehicle (Amendment) Rules, 2023 made fitness tests through ATS mandatory with effect from 1 October 2024. This amendment required the establishment of an ATS under the jurisdiction of every Registering Authority.

Scrutiny of records maintained at the office of Transport Commissioner, GoJ related to establishment of ATS in the State revealed that DoT, Jharkhand, had published a public notice inviting persons, companies or institutions to establish ATS in October 2021. However, only one ATS (M/s Global Automated Fitness Centre, Hazaribagh) was established, as of July 2023, under the jurisdiction of DTO, Hazaribagh. Moreover, the integration of ATS with the AFMS portal remained incomplete due to non-establishment of ATS in every district.

Thus, there was a significant gap between the planned implementation of AFMS and the current system in place, especially considering the number of registered transport vehicles in the State, the mandatory provisions for issuing CFs and the deadline of October 2024 for issuing CFs through AFMS. In the absence of ATS under all registering authorities in the State, MVIs were issuing CFs.

In reply, the DoT stated (June 2025) that registration certificates have been issued to four ATS and preliminary registration certificates to eight institutions, as of May 2025.

2.3.6.2 Vehicle Scrapping Facility

MoRTH notified (September 2021) the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021, to regulate the establishment and operation of registered vehicle scrapping facilities (RVSFs) and ensuring environmentally sound management of end-of-life vehicles (ELVs). The Department published (September 2022) a general notice inviting Request for Proposals (RFP) for establishment of RVSFs in the State. Further, to encourage vehicle owners to scrap old vehicles, the Department issued a notification (October 2024) for a rebate of 50 *per cent* on the arrear of tax and penalties for vehicles scrapped in RVSFs registered in the State.

Audit analysed the records available and observed that no proposals against the invitation of RFP for establishment of RVSF in the State were received, as of January 2025. The Department also had not taken any further action in this regard. Further, vehicles for scrapping were also to be identified by ATSs, in cases where the vehicles were old (15/20 years) and did not pass the fitness test. However, instead of an ATS under each registering authority, the Department could establish only one ATS (Hazaribagh) for inspection and issuance of certificates of fitness of motor vehicles for subsequent scrapping.

Thus, the RVSFs could not be established due to poor response to the RFP, leading to delay in the establishment of vehicle scrapping and recycling infrastructure. Thus, setting up RVSFs in Jharkhand under the MoRTH's framework is still in progress even after a lapse of more than three years from the notification issued by the Central Ministry.

In reply, the DoT stated (June 2025) that the proposal for two RVSFs had been received which were under process.

2.3.7 Collection of tax, fees and cess

District Transport Authorities act as 'Taxation Authorities' for vehicles under Section 3 of the JMVT Act. They are responsible for levy, assessment and collection of taxes and fees related to vehicle registration, fitness certification and other services rendered by them.

The various types of tax, fees and cess levied in Jharkhand are as under:

Type of Taxes	Particulars
Lifetime Tax/ One-time tax	Percentage of sale value valid for 12 to 15 years.
Quarterly Tax	Based on Registered Laden Weight (RLW) for goods vehicles and seating capacity for public service vehicles
Green Tax	On non-transport over 15 years old and transport vehicles over 12 years old.
Trade Tax	On manufacturer or a dealer of motor vehicles in respect of motor vehicles in his possession in the course of his business.
License Fee	Collected for issue of license in respect of LL, DL and driving schools.
	Collected for issue of conductor's licence.
Registration/Fitness Fee	Collected against registration/fitness of motor vehicles
Permit Fee	Collected in respect of various kind of permits.
Fees for Pollution Under Control Certificates (PUCCs)	Share of Government on fee collected for PUCCs.
Road Safety Cess	20 *per cent* of amount compounded by the enforcement wing of the Department.

2.3.7.1 Implementation of new tax structure

The taxes on motor vehicles in the State are regulated under JMVT Act (erstwhile Bihar Motor Vehicle Taxation (BMVT) Act, 1994) which was enacted in April 1994.

In 2011, the DoT undertook a review of the motor vehicle tax structure that had been in effect since 1994. Keeping in view growing budgetary and expenditure requirements, the existing tax structure was proposed to be amended to achieve a 50 *per cent* increase in motor vehicle tax. The proviso under Section 5(3) of JMVT Act which restricted the Government from increasing the rate of taxes by more than 50 *per cent* in a year was abolished vide JMVT (Amendment) Act, 2011. Accordingly, JMVT (Amendment) Act, 2018 was notified.

(a) Taxation on goods vehicles

The system for incremental rate of tax on short ranges of RLW prescribed in the previous tax structures was replaced with a constant rate of tax for a wide range of weights as detailed in **Table-2.20**.

Table-2.20: Annual rates of tax of goods vehicles as amended in the State

<table>
<tr><th rowspan="2">Registered Laden Weight excluding trailers</th><th colspan="2">BMVT Act 1994/ JMVT Act 2001 w.e.f. 26.04.1994</th><th>JMVT 2018 w.e.f 31.01.2019</th></tr>
<tr><th>Motor Vehicle Tax</th><th>Addl. Motor Vehicle Tax</th><th>Motor Vehicle Tax</th></tr>
<tr><td>up to 500 Kg.</td><td>₹ 298.50</td><td>₹ 310</td><td>₹ 900</td></tr>
<tr><td>500 Kg. to 2,000 Kg.</td><td>₹ 298.50 plus ₹ 34 for every 250 Kg.</td><td rowspan="5">₹ 310 plus ₹ 232.50 for every 500 Kg.</td><td>₹ 900 to ₹ 1,500</td></tr>
<tr><td>2,000 Kg. To 3,000 Kg.</td><td>₹ 502.50 plus ₹ 42 for every 250 Kg.</td><td>₹ 1,500 to ₹ 2,250</td></tr>
<tr><td>3,000 Kg. To 4,000 Kg.</td><td>₹ 502.50 plus ₹ 42 for every 250 Kg.</td><td rowspan="3">₹ 800 per ton of RLW</td></tr>
<tr><td>4,000 Kg. to 8,000 Kg.</td><td>₹ 838.50 plus ₹ 51.50 for every 250 Kg.</td></tr>
<tr><td>Exceeding 8,000 Kg.</td><td>₹1662.50 plus ₹ 136.50 for every 250 Kg.</td></tr>
</table>

A comparison of the tax structures, as depicted in **Table 2.20**, revealed that:

i. in the pre-revised tax structure for goods vehicles, the rate of tax increased with every increase of weight by 250 kgs in the RLW.

ii. in the new tax structure the rate of tax was constant for ranges of 1,500 (between RLW of 500 and 2,000 kgs) and 1,000 kgs (between RLW of 2,000 and 3,000 kgs) upto RLW of 3,000 kgs. Thereafter the tax rate is constant.

iii. the new taxation system increased tax rates for vehicles with lower RLW and smaller tax liability, but reduced tax rates for vehicles with higher RLW and larger tax liabilities. The quantum of tax for vehicles above 12,000 kgs of RLW reduced in comparison to previous tax structure as depicted in **Table-2.21**.

Table-2.21: Comparison of previous and current rate of taxes

RLW (in Kg.)	Previous tax (₹)	Current tax (₹)	Difference (₹)	Difference in *per cent*
5,000	3,447	4,000	553	16.04
12,000	9,384	9,600	216	2.3
22,000	19,616	17,600	-2,016	-10.28
32,000	29,724	25,600	-4,124	-13.87
42,000	39,836	33,600	-6,236	-15.65
52,000	49,944	41,600	-8,344	-16.71
62,000	60,056	49,600	-10,456	-17.41
72,000	70,164	57,600	-12,564	-17.91
80,000	80,276	65,600	-14,676	-18.28

It can be seen from **Table-2.21** that there was shortfall in the amount of tax ranging from one to 18.28 *per cent*, an average shortfall of 12.40 *per cent* in amount of tax from Heavy Goods Vehicles (HGVs).

(b) Taxation on Trailers

Trailers, excluding tractor-trolleys, are commonly used for transporting goods and are designed to be drawn by motor vehicles. The system of incremental rate of tax on short ranges of RLW prescribed in the previous tax structures was replaced with a One-Time Tax based on cost price, as detailed in **Table-2.22**.

Table-2.22: Annual rates of tax on trailers under different amendments in the State

<table>
<tr><th rowspan="2">Registered Laden weight</th><th colspan="2">BMVT Act 1994/ JMVT Act 2001
w.e.f. 26.04.1994</th><th>JMVT 2018
w.e.f. 31.01.2019</th></tr>
<tr><th>Motor Vehicle Tax</th><th>Addl. Motor Vehicle Tax</th><th>Motor Vehicle Tax</th></tr>
<tr><td>4001 Kg. to 8000 Kg.</td><td>₹ 760.00 plus
₹ 49.50 for every additional 250 Kg above 4,000 Kg.</td><td>₹ 1,440 up to 5,000Kg.</td><td rowspan="2">One time tax at the rate of seven per cent of the cost of the trailer for 12 years.</td></tr>
<tr><td>8001 Kg. to 12000 Kg.</td><td>₹ 1,568.00 plus
₹ 120.00 for every additional 250 Kg above 8,000 Kg.</td><td>₹ 1,440.00 plus
₹ 160.00 for every additional 1,000 Kg. above 5,000 Kg.</td></tr>
</table>

The cost of such trailers ranged from ₹ 10 to 15 lakh and their RLWs from 70,000 to 92,000 Kgs. Audit analysed the taxes of 25 such trailers and found that the collection as per the revised tax structure was lower by ₹ 33.06 lakh in comparison to pre-revised tax structure. Short levy and collection of tax on trailers under the new tax regime is illustrated in **Case Study-2.3**.

Case Study-2.3	
Vehicle Registration Number	JH09XXXXX6
Vehicle Class	Trailer
Date of registration	31-Mar-21
Date of purchase	07-Feb-21
Cost Price	₹ 12,50,000
Registered Laden Weight (RLW)	92,000 Kg
Tax paid (based on Cost Price)	₹ 87,500 for the period from 07 February 2021 to 06 February 2033 (12 years)
Tax under pre-revised regime (based on RLW)	₹ 57,248 p.a. or ₹ 6,86,976 for 12 years
Thus, short levy/collection of tax under new tax regime = 6,86,976 – 87,500 =₹ 5,99,476	

The shift from the previous incremental tax system of levying higher rates for every 250 kg increase in RLW to the new structure, which applies a higher rate only up to 3,000 kg and remains constant thereafter, along with a one-time cost-based tax on trailers instead of annual levy resulted in revenue shortfall, undermining the objective of tax restructuring to boost revenue.

In reply, the DoT stated (June 2025) that a Department Level Committee had been constituted to propose necessary amendments in the new tax structure, based on audit observations.

2.3.7.2 Tax from transport vehicles

The JMVT Act and JMVT Rules require the owners of registered transport vehicles to pay the applicable advance tax. If the delay in payment exceeds 90 days, penalty, at twice the amount of taxes due, may be imposed, along with the tax. Moreover, the Act provides for levy of green tax on transport vehicles which are more than 12 years old. *VAHAN* enables users to generate the defaulters list from the system. DTOs are required to issue demand notices to the defaulters. Further, the owners of vehicles are required to intimate discontinuation of plying of their vehicles.

Audit extracted the taxation data of transport vehicles from the *VAHAN* database and found that the tax validity of 1,42,817 vehicles had expired in the State (up to 31 March 2024). Out of this, 79,086 (55 *per cent*) vehicles were in the test-checked DTOs.

Audit test checked the tax records of 49,491 transport vehicles in the *VAHAN* database and cross-verified it with real-time data in the test-checked DTOs. It was noticed that owners of 3,108 vehicles had stopped payment of taxes for periods exceeding one year. On further verification with real-time data and registration records, it was noticed that no undertaking, regarding these vehicles being off-road were available on record. The DTOs responsible for issuing demand notices had neither generated the list of defaulters from *VAHAN* nor updated the Demand, Collection and Balance registers on a quarterly basis, as required under the provisions of the JMVT Rules. Demands, for outstanding taxes, had also not been raised. This resulted in non-collection of tax amounting to ₹ 22.34 crore including penalty of ₹ 14.89 crore ***(Appendix-X)***.

Similarly, during compliance audit in 2023-24, motor vehicle tax and penalty amounting to ₹ 62.93 crore, from 6,925 transport vehicle owners out of 89,780 transport vehicles test-checked, was not collected in 13 test-checked DTOs.

In reply, the DoT stated (June 2025), that ₹ 90.42 lakh had been realised from 182 vehicle owners against the demand raised by the test-checked DTOs. The Department further stated (September 2025) that revenue of ₹ 5.93 crore has been realised from 868 defaulting vehicles.

2.3.7.3 One-Time Tax

The Government of Jharkhand brought changes in the taxation structure of motor vehicles in January 2019. Apart from personalised vehicles, some transport vehicles, *viz*. three wheelers (passenger), CEVs, goods vehicles of up to three tons RLW and motor cabs, were brought under the purview of one-time tax (OTT) . Further, in case of non-payment of OTT within 30 days, fine at the rate of two *per cent* per month on the OTT due, was to be charged. Besides, Section 17 of JMVT Act, read with Rule 15 made thereunder, the owners of vehicles were required to furnish an undertaking for discontinuation of plying of their vehicles. In the absence of any undertaking, every motor vehicle shall be deemed to have been used or kept for use within the State and tax shall be paid.

Audit analysis of the registration/taxation data of transport vehicles brought under the purview of OTT, extracted from *VAHAN*, revealed that the tax validity of 3,81,493 vehicles in the State had expired (up to March 2024) and they were thus tax defaulters. Out of this, 2,18,008 (57 per cent) vehicles were registered in the six test-checked DTOs.

Of the above, Audit verified the tax position of 1,22,922 transport vehicles in the six test-checked DTOs with real-time (*VAHAN*) data and other relevant records and noticed that 5,901 vehicle owners had not paid OTT. Besides, in contravention of stipulated provisions, no undertakings in regard of these vehicles being off-road were also found available on record. It was further observed that the DTOs, responsible for issuing demand notices, had not generated the list of defaulters from *VAHAN* and raised the corresponding demands for outstanding OTT. Thus, the Department could not realise revenue of ₹ 20.52 crore, including fine of ₹ 9.61 crore ***(Appendix-XI)***.

Similarly, during compliance audit in 2023-24, OTT and fine amounting to ₹ 10.93 crore from 3,979 vehicle owners, out of 1,34,020 one-time tax paying vehicles test-checked, was not collected in 13 test-checked DTOs.

In reply, the DoT stated (June 2025), that ₹ 65.95 lakh has been realised from 132 vehicle owners against the demand raised by the test-checked DTOs. The Department further stated (September 2025) that revenue of ₹ 0.94 crore has been realised from 228 defaulting vehicle owners.

2.3.7.4 Vehicles plying under reciprocal agreements

Section 88(5) of the MV Act provides that transport vehicles registered in one State can ply in another State under reciprocal agreements between the State Governments. Accordingly, reciprocal agreements between Jharkhand and the

States of Orissa and West Bengal were executed in January 2003; with Bihar in April 2007 and with Chhattisgarh in September 2008 to ply public service vehicles within their territories. A double-point taxation system was adopted for public service vehicles that were granted inter-state permits, and all vehicles while operating in other States, were liable to pay all the taxes leviable of the other States.

Scrutiny of countersignature[22] records of buses of other States plying in Jharkhand under reciprocal agreements and data of SPERMIT portal, revealed that 6,807 permits were countersigned between April 2019 and March 2024 by the Transport Commissioner, GoJ.

Analysis of tax position in the SPERMIT portal revealed that out of 805 buses sampled in office of the Transport Commissioner, GoJ, Ranchi, owners of 61 buses had defaulted in payment of motor vehicle tax. The Department also did not monitor payment of tax by these vehicles resulting in non-realisation of tax of ₹ 89.90 lakh, including penalty of ₹ 59.93 lakh ***(Appendix-XII)*** for delay in payment of tax.

Similarly, during compliance audit in 2023-24 in the office of Transport Commissioner, GoJ, 80 buses out of 806 buses, registered in other States and operating under reciprocal agreements, were found defaulting in payment of motor vehicles tax. This resulted in non-realisation of revenue amounting to ₹1.08 crore including penalty of ₹ 0.72 crore.

In reply, the DoT stated (June 2025) that the Transport Commissioner had issued demand notices to the permit holders for realisation of arrear of taxes. The Department further stated (September 2025) that revenue of ₹ 0.01 crore has been realised from one vehicle.

2.3.7.5 Fee on issue of temporary registration of motor vehicles

GoI notified the fee for grant of TR under Section 43 of the MV Act as half of the registration fee in Rule 81(4A) of CMV Rules, effective from April 2021. Prior to April 2021, fee for temporary registration was regulated by the State Government under Rule 44 (v) of JMV Rules.

Analysis of the data of the six test-checked DTOs in *VAHAN* revealed that 37,394 TRs in respect of transport vehicles were issued by four DTOs[23] between 1 April 2021 and 31 May 2024 and fee amounting to ₹ 78.98 lakh was levied instead of ₹ 1.64 crore, as shown in **Table-2.23**.

Table-2.23: Short levy of TR fee due to non-mapping of revised TR fee

Sl. No.	DTOs	No. of vehicles	TR fee levied (in ₹)	TR fee leviable (in ₹)	Short levy of TR fee (in ₹)
1	Hazaribagh	2,196	4,53,480	9,43,250	4,89,770
2	Jamshedpur	16,723	37,57,850	85,76,400	48,18,550
3	Palamu	1,792	3,29,050	5,76,450	2,47,400
4	Ranchi	16,683	33,57,530	63,43,450	29,85,920
Total		**37,394**	**78,97,910**	**1,64,39,550**	**85,41,640**

[22] Countersignature of permits is an endorsement granted by a transport authority of a State, authorizing a permit originally issued by another State's authority for plying of vehicles in the State.

[23] Hazaribagh, Jamshedpur, Palamu and Ranchi.

Audit analysed the reason for short levy of fee for TR and noticed that it was being levied at the pre-revised rates prescribed under Rule 44(v) of JMV Rules instead of the fee leviable under the amended Rule 81(4A) of CMV Rules, which became effective from 1 April 2021.

Audit further noticed that the DoT had revised the rates of TR fee vide JMV (Amendment) Rules, 2021, effective from 11 August 2021, without considering the amendments made in CMV Rules (April 2021) regarding regulation of temporary registration of motor vehicles, as shown in **Table-2.24**.

Table-2.24: Comparative rate of fee leviable on issue of TR of motor vehicles

Sl. No.	Class of vehicles	Rule 44(iv) of JMVR w.e.f. 18.10.2013	Rule 44(iv) of JMVR w.e.f. 11.08.2021	Rule 81(4A) of CMVR w.e.f. 01.04.2021
1	Motorcycle	100	200	150
2	Three-wheeler/ Quadricycle	100	200	300
3	Light Motor Vehicle	100	200	300
4	Medium goods/Passenger	120	250	500
5	Heavy Goods/Passenger	120	250	750

Source: CMVR and JMVR

Thus, despite amendments to the CMV Rules, the Department continued to levy TR fees based on the JMV Rules, instead of adopting and mapping the revised fee structure in *VAHAN*, resulting in loss of revenue amounting to ₹ 85.42 lakh against issuance of TRs of 37,394 vehicles.

The DoT stated (June 2025) that the NIC had been directed (May 2025) to map the fee of temporary registration of vehicles as per Rule 81(4A) in *VAHAN*.

2.3.7.6 Application of incorrect rate(s) of tax

The JMVT Act and Rules provides for payment of advance tax for registered transport vehicles and Section 5 of the Act specifies the rates of tax. These provisions were amended under the JMVT (Amendment) Act, 2018, which came into effect on January 31, 2019. Ambulances[24] and camper vans[25] have been categorised as transport vehicles under the MV Act and tax levied on their seating capacity.

Audit analysis of *VAHAN* database for vehicle registration and taxation, and cross-verification with real-time data, revealed that the pre-revised tax rates were being levied on ambulances and camper vans. This resulted in short levy of taxes amounting to ₹ 37.40 lakh from 11 ambulances and 39 camper vans in three test-checked DTOs, as shown in **Table-2.25**.

[24] Ambulance is a vehicle specially designed, constructed or modified and equipped and intended to be used for emergency transportation of persons who are sick, injured, wounded or otherwise incapacitated.

[25] Camper van means a motor vehicle designed or constructed to provide living quarters for recreational camping or travel use with direct walk-through access to the living quarters from the driver's seat.

Table-2.25: Short levy of taxes due to application of incorrect tax rates

Sl. No.	DTO	Ambulances	Camper Vans	Tax levied (₹)	Tax leviable (₹)	Short levy (₹)
1	Giridih	0	3	25,854	88,286	62,432
2	Palamu	5	36	97,204	28,83,463	27,86,259
3	Simdega	6	0	30,862	9,22,434	8,91,572
Total		**11**	**39**	**1,53,920**	**38,94,183**	**37,40,263**

Scrutiny of files and records revealed that the State unit of NIC, while mapping the revised tax structure, had sought clarification from the Department (November 2019). Audit observed that the Department had unilaterally instructed (December 2019) NIC to maintain pre-revised tax rates in the application without providing any justification or obtaining the necessary legislative approvals required for enforcing tax rates in the State. Thus, lack of due diligence on the part of Departmental officials resulted in retention of pre-revised tax rates for ambulances and camper vans in *VAHAN* adversely affecting the revenue collection of the State.

Similarly, compliance audit in 2023-24 revealed that pre-revised rates were applied for 191 ambulances and camper vans in 12 DTOs[26], resulting in levy of only ₹ 0.12 crore instead of ₹ 1.29 crore leading to short levy of tax amounting to ₹ 1.17 crore.

The DoT stated (June 2025) that a tax amendment bill had been prepared including this issue and sent for consideration and decision of higher authority. The Department further stated (September 2025) that differential tax of ₹ 0.06 crore has been realised from eight such vehicles.

2.3.7.7 Penalty from transport vehicles

Under the provisions of Rules 4(1) of JMVT Rules, the date of acquisition of the vehicle shall be the due date for tax payment. Application for registration of vehicles was required to be made within seven days from taking delivery of the vehicle. Sections 48 & 49 of the MV Act stipulates that the NOC to be issued by the original registering authority to register a vehicle under another registering authority, should be produced within a period of thirty day of its issue. Rule 4(2) of JMVT Rules, stipulates penalty for delayed payment of quarterly taxes as shown in **Table-2.26**.

Table-2.26: Rates of penalty for delayed payment of motor vehicle tax

Sl. No.	Period	Rates of penalty (*per cent* of tax)
1	If paid within 15 days from the due date of payment	Nil (grace period)
2	If paid after 15 days but within 30 days of the due date of payment	25
3	If paid after 30 days but within 60 days of the due date of payment	50
4	If paid after 60 days but within 90 days of the due date of payment	100
5	If paid beyond 90 days after the due date.	200

[26] Bokaro, Dhanbad, Dumka, Godda, Gumla, Hazaribagh, Koderma, Latehar, Lohardaga, Pakur, Ranchi and Sahibganj.

Scrutiny of taxation registers and *VAHAN* data in the six test-checked DTOs revealed that in 820 out of 1,81,854 tax transactions between April 2019 and March 2024, the taxing officers levied motor vehicles tax from the date of possession/expiry of temporary registration/no objection certificate. Further, payment of tax in these cases were made with delays ranging from one to 11 quarterly periods. However, while taxes were levied, penalty for delayed payment of tax amounting to ₹ 27.71 lakh ***(Appendix-XIII)*** was not levied. Besides, while *VAHAN* calculated the amount of tax from the date of possession/expiry of temporary registration/no objection certificate, it failed to calculate the penalty leviable for delayed payment of tax in such cases. This non calculation of penalty was also not detected by the taxing officer. As such, the Department failed to detect the discrepancy in the application software and continued to accept tax without imposing leviable penalty for delayed payment.

Similarly, compliance audit in 2023-24 revealed delayed payment of tax (16 to 1,253 days) in 3,827 transactions, out of test checked 3,72,316 tax payment transactions in 13 DTOs, resulting in short levy of penalty of ₹ 2.70 crore for delayed payment of tax.

In reply, the DoT stated (June 2025) that NIC has been instructed (May 2025) to provide clarification regarding the short levy of penalty in VAHAN and directed to take appropriate action in accordance with the applicable provisions. The Department further stated (September 2025) that penalty in 974 tax transactions amounting to ₹ 0.62 crore has been realised.

2.3.7.8 Demand notices to defaulters of motor vehicle tax

Under the Bihar and Orissa Public Demands Recovery (PDR) Act, 1914 (adopted by GoJ), read with Section 21 of the JMVT Act, 2001, any money, which is declared by any law for the time being in force as arrears of revenue, is recoverable as arrears of land revenue. Rule 23 of JMVT Rules requires every taxation officer to maintain tax registers and demand registers for transport vehicles, wherein the arrear of tax liability against the vehicle is recorded. The demand registers are required to be updated by the taxing officers on a half yearly basis (1st October and 31 March) to identify tax defaulters. As per departmental instructions, the taxing officer had to ensure realisation of taxes due from every motor vehicle and issue demand notice for collection of arrears followed by institution of certificate cases under the PDR Act.

Analysis of taxation and registration records maintained in *VAHAN* in the six test-checked DTOs revealed that there were 2,60,699 tax defaulting vehicles as of March 2024, out of which 2,45,558 were in default for more than one year. *VAHAN* facilitates generation of defaulter list module and there was a module for auto generation of demand notices. Scrutiny of records, however, revealed that only 2,953 demand notices were issued to the owners of defaulting vehicles by three DTOs, during 2019-20 to 2023-24, as shown in **Table-2.27**.

Table-2.27: Status of demand notice issued and certificate cases instituted

Sl. No.	DTOs	Defaulting vehicles (less than 1 year)	Defaulting vehicles (more than 1 year)	Total tax defaulting vehicles	Demand notices issued	Certificate cases instituted
1	Giridih	613	29,765	30,378	0	0
2	Hazaribagh	4,199	42,384	46,583	133	0
3	Jamshedpur	4,260	57,423	61,683	0	0
4	Palamu	991	23,611	24,602	740	0
5	Ranchi	4,851	88,699	93,550	0	0
6	Simdega	227	3,676	3,903	2,080	9
Total		**15,141**	**2,45,558**	**2,60,699**	**2,953**	**9**

Source: VAHAN and information furnished by DTOs

Further review revealed that the module for auto generation of demand notices in *VAHAN* included the fields of information as required to be maintained in demand registers for the purpose of issuance of demand notices. This was readily available to the taxing officers on real time basis in *VAHAN*. However, the auto-generated demand notices lacked important information such as the total amount due, the period of tax default and consequences of default, as laid down in Section 21 of JMVT Act, 2001. Moreover, the provisions (Rules and Sections) for levy and collection were incorrectly quoted therein undermining the legality of the demand notices.

Thus, due to lack of all the available information/data, the Department could not use the demand notices issued via *VAHAN*. As shown in table, the DTOs could issue offline demand notices to only one *per cent* defaulters. Further, the Department did not initiate certificate cases for recovery of these arrears as required under the PDR Act, 1914.

In reply, the DoT stated (June 2025) that NIC has been instructed (May 2025) to carry out necessary modifications in *VAHAN* in respect of demand notice in conformity with the provisions. It was further stated that instructions have been issued to DTOs to issue demand notices to tax defaulting vehicle owners.

2.3.7.9 Transfer of collected revenue

Under the provisions of Rule 37 of the Bihar Financial Rules (adopted by GoJ), all money received as Government dues should be regularly and promptly assessed, realised and duly credited to Government Account. As per instructions (January 2001) of the State Transport Commissioner, the amount collected by the banks was to be transferred to the Government accredited banks by the first week of the following month and for the month of March, by 31 March. As per the instructions issued by the Reserve Bank of India (RBI), penal interest, on the balance exceeding rupees one lakh, was payable by the banks on delayed remittances to Government Account. In July 2020, the Department signed an MoU with HDFC Bank to manage fine collections under the MV Act via point-of-sale (POS) machines linked to HDFC bank on T+1 basis[27].

[27] Next day after receipt of revenue by the bank.

Scrutiny of bank statements of HDFC and SBI (Government account) for the period 2021-24 revealed that an amount of ₹ 47.21 crore was collected through POS machines by the enforcement officers of the State between January 2021 to March 2024. It was seen that HDFC bank had remitted ₹ 36.94 crore into the Treasury and ₹ 10.07 crore into the Road Safety Fund account with delays ranging from two to eight months. Audit observed that the Department did not monitor and enforce timely remittance of revenue as per the MoU. This resulted in delayed remittance of Government revenue for which the bank was liable to pay penal interest amounting to ₹ 1.23 crore ***(Appendix-XIV)***.

In response, the DoT stated (June 2025) that the matter has been communicated (May 2025) to the Branch Manager, HDFC Bank, Ranchi, with instructions to comply with the audit observation.

2.3.7.10 Deposit of GST

Service tax, at the prescribed rates, was leviable on the fee collected for issuance of fitness certificate under the executive instruction of the Transport Commissioner, Jharkhand, Ranchi. After implementation of GST (Goods and Services Tax) from 1st July 2017, the Head of Account for service tax has been prescribed as “005-Central GST” and “006-State GST” by the Controller General of Accounts, GoI.

Audit analysis of GST collection in *VAHAN* revealed that during 2019-20 to 2023-24, an amount of ₹ 18.54 crore was collected in the State on account of GST for issue of fitness certificate of vehicles, out of which ₹ 9.95 crore pertained to the six test-checked DTOs, as shown in **Table-2.28**.

Table-2.28: GST collection in test-checked offices

Sl. No.	DTOs	No. of records	GST levied & collected (in ₹)
1	Giridih	1,47,161	63,91,208
2	Hazaribagh	2,11,377	1,63,65,833
3	East Singhbhum (Jamshedpur)	4,52,287	3,71,33,258
4	Palamu	1,63,132	76,60,170
5	Ranchi	5,46,122	3,05,82,347
6	Simdega	24,455	13,26,277
Total		**15,44,534**	**9,94,59,093**

(Source: VAHAN)

Audit observed that GST was being collected online through *VAHAN* along with fitness fee and deposited into the bank account designated for revenue collection. The MVIs had not obtained Service Tax/GST registration numbers from the Commercial Tax Department and the amount collected against GST was deposited as revenue receipts of the State Government (Head of Account “0041-Taxes on vehicles) instead of the appropriate Head of Account “005/006-GST”. Audit observed that though the Department had held the MVIs responsible (December 2006 and May 2007) for deposit of GST, it had not implemented any mechanism for segregation and remittance of GST and other transport related revenue into the appropriate heads of account.

Similar issues were pointed out in Paragraph 4.3.22 of the PA on "Working of Transport Department with emphasis on compliance with pollution standards" featured in the Audit Report (Revenue Receipts) for the year ended 31 March 2015 and also in Paragraph 2.1.12.11 on "Assessment and collection of Motor Vehicle Tax and Fee in Transport Department, Jharkhand" for the year ended 31 March 2019. The Department has, however, not taken any remedial action.

In reply, the DoT stated (June 2025) that the issue would be resolved upon obtaining concurrence from the Commercial Tax Department, Government of Jharkhand.

2.3.8 Enforcement

The DTOs, RTAs, and MVIs are crucial in ensuring compliance with the provisions of the MV Act, the rules framed thereunder, and the Jharkhand Road Safety Policy, 2016. Their key enforcement duties and fines/penalties are outlined in Section 177 to 210 of the MV Act which includes overloading, driving vehicles without DL, dangerous driving, vehicle without registration, excessive speed *etc*., among other offenses. MoRTH amended the penalty rates under the MV Act in August 2019, certain sections of which were subsequently amended in September 2019 by the Government of Jharkhand.

The authority of compounding offences under various provisions of the MV Act were delegated by the Department to six traffic police stations[28] across six DTOs. Additionally, three newly established traffic police stations[29] in three DTOs were empowered to perform similar functions. The gazetted officers of civil and traffic police, along with officers of at least the rank of Assistant Sub-Inspector (ASI) from traffic police in 24 districts, were also authorised to compound offences under Sections 158(6) (accidents) and 196 (insurance) of the Act.

2.3.8.1 Reporting of stolen and recovered motor vehicles

As per Section 62 of the MV Act read with Rule 57 of the JMV Rules, the Superintendent of Police (SP) or other police officers as specified in this behalf shall furnish monthly returns to the Transport Department in the prescribed Forms I & II containing information on stolen vehicles and those stolen vehicles that have been recovered. The registering authorities were to record the information and thereafter various kinds of services, *viz*. transfer of ownership, change of address, payment of tax, issue of certification of fitness, pollution under control certificates *etc*. are blocked/stopped.

The status of stolen and recovered vehicles during the period of 2019-20 to 2023-24 in the six test-checked DTOs, is shown in **Table-2.29**.

[28] Bokaro, Deoghar, Dhanbad, Hazaribagh, Jamshedpur and Ranchi.
[29] Giridih, Ramgarh and Saraikela-Kharsawan.

Table-2.29: Status of stolen and recovered vehicles during 2019-20 to 2023-24 in the six test-checked DTOs

Sl. No.	DTO	As per *VAHAN*			As per police records	
		No. of stolen vehicles	Delay in blocking (in days)	No of stolen vehicles recovered	Theft	Release to owner after recovery
1	Giridih	142	0-1183	2	881	Not produced
2	Hazaribagh	370	0-1577	18	1,714	191
3	Jamshedpur	969	0-796	0	2,726	Not produced
4	Palamu	92	0-924	2	Not produced	Not produced
5	Ranchi	1,615	0-2,976	55	Not produced	Not produced
6	Simdega	4	3-104	0	Not produced	Not produced
Total		**3,192**		**77**	**5,321**	**191**

(Source: VAHAN and information furnished by SPs of test-checked districts)

As can be seen from **Table-2.29**, majority of stolen vehicles were not intimated by the police to the registering authority for blocking in *VAHAN*. The monthly reports required to be submitted by the office of the SP were not furnished to Audit in any of the test-checked DTOs. Instead of systemic and periodic flow of information via these Reports, details of stolen vehicles were recorded in *VAHAN* as and when the concerned police stations or the owners of the stolen vehicles intimated the DTOs. There were significant delays ranging from 3 to 2,976 days in intimating the details of stolen vehicles to the registering authorities.

In response, the DoT stated (June 2025) that the Superintendents of Police have been requested to make available the requisite information as provided in the provisions.

2.3.8.2 Penalty under the Carriage by Road Act

Section 194 (1) of the MV Act provides for penalty for overloading. Further Section 5(3) of the Carriage by Road Act, 2007, stipulates that penalty equivalent to the amount imposable under the MV Act shall also be realised. In case of non-registration of common carriers, additional fine is leviable under Section 18(1) of the Carriage by Road Act.

Scrutiny of 57 volumes of money receipts utilised in the five test-checked DTOs and two RTAs for penalising vehicles operating in violation of various sections of the MV Act revealed that 693 motor vehicles were penalised u/s 194 (1) for overloading without subsequent imposition of penalty under the Carriage by Road Act. Consequently, the Government suffered a revenue loss of ₹ 2.69 crore in the form of penalty and fine due to non-compliance with the prescribed provisions **(*Appendix-XV)***.

In reply, the DoT stated (June 2025) that all the enforcement authorities have been directed to comply with the provisions of penalty under Carriage by Road Act.

2.3.8.3 Submission of accident reports

Section 136 of the MV Act read with Rule 215 of the JMV Rules provides that, the MVI, on requisition made by any police officer, would inspect a vehicle involved in an accident. On completion of inspection, an inspection report shall be issued, as far as possible, on the spot. The report had to contain the mechanical condition of the vehicle, cause of accident, details of validity of tax, permits, insurance, fitness *etc*. Further, as per the *Jharkhand Rajya Sewa Dene ki Guarantee Adhiniyam*, 2011, the prescribed time limit for submission of accident inspection report by the MVI was 15 days.

Analysis of 136 out of 292 accident reports, prepared and issued by the MVIs of the six test-checked DTOs, revealed that the police had requisitioned the MVIs for inspection of vehicles with delays ranging from 69 to 1,396 days after the lodging of FIRs of the accident. Further, the MVIs had inspected the vehicles and issued the accident report with delays ranging from 69 to 1,385 days from the date of receiving the requisitions. Delays in requisitions and inspections of motor vehicles involved in accidents not only violated the provisions of *Jharkhand Rajya Sewa Dene ki Guarantee Adhiniyam* but also delayed the investigation process.

In reply, the DoT intimated (June 2025) that the DTOs had instructed MVIs to submit accident reports of the vehicles within the prescribed time limit after following the prescribed procedures.

2.3.8.4 Disposal of excess weight from overloaded vehicles

Section 114 of the MV Act mandates weighing of overloaded vehicles at a certified and stamped weighbridge in course of penalising them u/s 194 and off-loading the excess weight until the laden weight is reduced to the prescribed RLW. Further, Rule 189 of JMV Rules, specifies installation of weighbridges maintained by or under the authority of the Government, local authorities, or railway administrations for weighing vehicles.

Scrutiny of 57 volumes of money receipts, utilised for penalising vehicles, revealed that 693 motor vehicles were penalised for overloading. However, further scrutiny revealed that the excess weight carried were not recorded on the receipts. It was also noted that no godowns had been established by the Department for storing the off-loaded excess weight. Moreover, weighbridges were not provided, leading to vehicles operating on public roads with excess weight despite penalty being imposed under the Act. This revealed significant gaps in enforcement and compliance to the Act/Rules, posing potential risks to road safety.

In reply, the DoT stated (June 2025) that a proposal was being developed to evaluate the physical and financial requirements for establishing weighbridges and godowns.

Recommendation 4: The Department may consider establishment of weighbridges so that overloaded vehicles can be penalised as per the MV Act.

2.3.8.5 Updation of penal action in *VAHAN*

Chapter XIII of the MV Act outlines various offences, penalties, and related procedures and prescribes punishments and penalties for offences committed by vehicle owners or drivers, including provisions for repeat offenders, where increased penalties and/or stricter punishments are imposed on second or subsequent offence.

Test check of challans utilised (during 2019-24) by the enforcement wings (RTAs, DTOs, and MVIs) in the test-checked districts for imposing penalty under various provisions of the MV Acts and Rules and cross check with *VAHAN* revealed that the records of imposition of penal actions were not updated in *VAHAN*. Thus, the Department had no mechanism to track repeated offences for imposing penalties at higher rates for second and subsequent offences. As a result, the Department failed to invoke provisions enacted for repeat offenders.

In reply, the DoT stated that all instances of manual imposition and collection of penalty under the Motor Vehicles Acts and Rules would be recorded in *VAHAN*.

2.3.8.6 Road Safety

The State Government had constituted (December 2015) the State Road Safety Council at State level and District Road Safety Committees in every district. The Council/Committees are responsible for periodic review of accidents, monitoring implementation of the Road Safety Policy, and ensuring compliance with directions of the Supreme Court Committee on Road Safety and the State Government. The District Road Safety Committees were to conduct monthly meetings and the State Road Safety Council, chaired by the Chief Minister, was to meet at least twice in a year to oversee and monitor overall advancement in road safety measures and initiatives and progress made thereon. Further, accident-prone locations (black spots) on roads were to be identified, and necessary corrective measures undertaken in accordance with MoRTH guidelines (October 2015) by the agencies deployed under the Road Safety Lead Agency of the Transport Department, Government of Jharkhand.

In December 2016, the GoJ notified the Jharkhand State Road Safety Fund Rules, 2016, under which a Road Safety Fund was established to promote road safety through awareness campaigns, trauma care, enforcement equipment, vehicle testing, and road safety infrastructure, ensuring a comprehensive approach to road safety. The Fund, financed through share of spot fines, compounding fees, and grants is administered by a Fund Management Committee chaired by the Chief Secretary.

Scrutiny of records and files related to Road Safety for the period 2019-20 to 2023-24 in the office of Transport Commissioner (Road Safety wing) revealed that:

- The State Road Safety Council had convened only one meeting in 2021 against the requirement of 10 meetings *i.e.* two per year.

- Only 756 District Road Safety Committee meetings were held out of the 1,440 meetings required.
- Out of 498 identified black spots[30], only 305 were modified, leaving 193 black spots unaddressed.

In reply, the DoT stated (June 2025) that meetings of the State and District Road Safety Councils could not be convened due to the general elections in the State. It was assured that these meetings would be held shortly.

2.3.9 Transport services

Audit analysis in the test-checked offices keeping in view the services to be provided using digital platforms of MoRTH's portal https://parivahan.gov.in/ revealed that a dual system was prevalent in the State. While initial services relating to application and payment of tax and fee for registration and driving license was online, other auxiliary transport services were being provided in offline mode. Audit observed that:

- although services of driving license were online, the applicants had to visit the offices concerned for submission of hard copies for each service under driving license.
- almost all the services, post-registration of a vehicle, were conducted offline *e.g.*, issue of no objection certificate, transfer of ownership, issue of duplicate registration certificate *etc*. among other services.
- services relating to permit and certificate of fitness, apart from collection of tax and fee, were offline.
- certain services were not being provided *e.g.,* issue of public service vehicle badge to driver, renewal of conductor license, issue of temporary conductor license *etc*. among other services.

Thus, the Department's continued reliance on offline systems despite the existence of online portals, limited accessibility and efficiency in providing public services through digital platforms.

The DoT stated (June 2025) that the services would be made online one-by-one on priority basis in the State.

2.3.10 Infrastructure

Under the provisions of Section-213 of the MV Act, the State Government established the Transport Department and appointed officers for implementation of provisions of the Act. As a revenue-generating and public service Department, the Department needs sufficient space to provide the required services. Further, the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995, ensures equal opportunities and rights for persons with disabilities which includes creation of

[30] Road Accident Black spot is a stretch of National Highway of about 500m in length in which either 5 road accidents or 10 fatalities took place during the last 3 years.

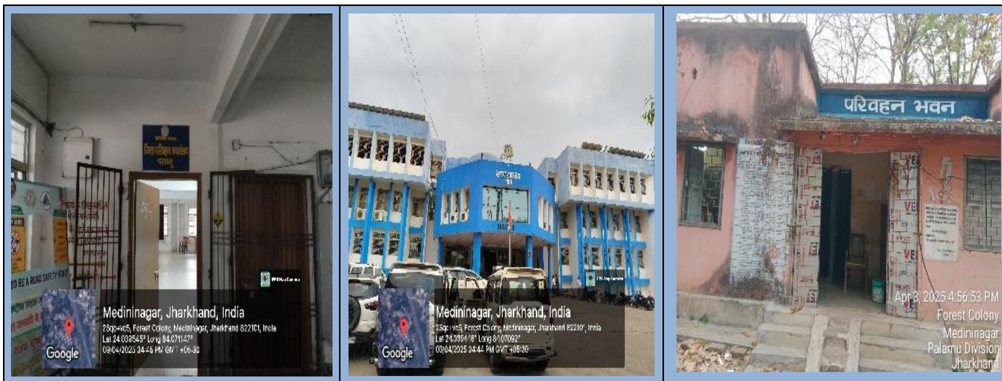
a barrier-free environment, which helps them to function independently and to participate in all activities of life without assistance.

Audit observed that the test-checked DTOs/MVIs were operating from within the District Collectorate Buildings. The MVI provides technical services to the DTO, and the public requires services from both, such as vehicle inspections, fee payments, and renewal of registration certificate renewals. However, in Palamu and Ranchi, the offices of the MVI and DTO were situated far apart, causing inconvenience to the public in accessing these services. Further, special facilities required to be provided to persons with disability like ramp, rails and special toilets, accessible rest rooms, *etc*. were lacking.

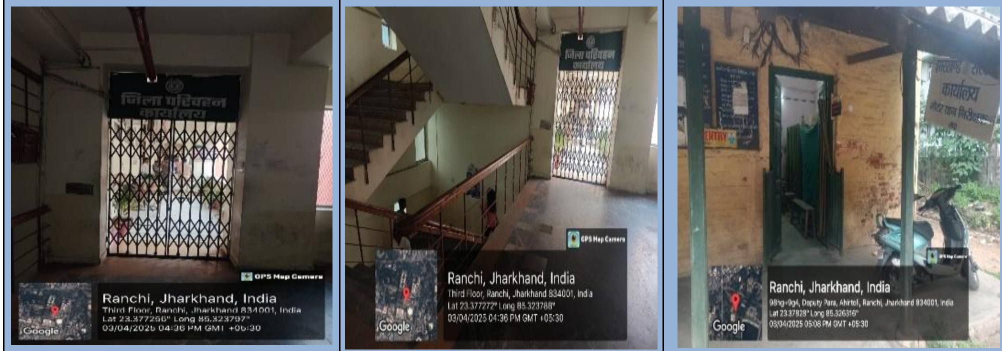
Photograph 2.9: DTO and MVI offices, Giridih, located on the ground floor of the District Collectorate Building.

Photograph 2.10: DTO and MVI office, Hazaribagh, functioning in its own buildings, in three separate locations.

Photograph 2.11: DTO and MVI office, Jamshedpur, functioning in its own building in a newly constructed building in the premises of District Collectorate.



Photographs 2.12: DTO and MVI offices, Palamu, functioning from different locations.



Photographs 2.13: DTO and MVI offices, Ranchi, functioning from different locations far away from each other. The DTO office is located on the 3rd floor of the District Collectorate Building while the MVI office is functioning from a very old, congested room in the office of SP (Traffic).

Photographs 2.14: DTO and MVI offices, Simdega, located in its own building.

The photographs indicate that the test-checked district transport offices were operating in spaces allotted in the district administration buildings, without considering the functional requirements of these offices. Audit also observed absence of standardized infrastructure for DTOs and MVIs.

In reply, the DoT stated (June 2025) that a detailed review and study for upgradation of infrastructure would be undertaken.

2.3.11 Conclusion

The Department failed to ensure transparency in the bidding process for smart card–based services and arbitrarily included a fixed fee for printing LLs in contravention of the Act/Rules. It lacked a mechanism to monitor the mapping of business rules in *VAHAN* and to conduct reviews for identifying gaps or errors. Additionally, the absence of uniform and automated driving test tracks compromised the competency assessments, while driving schools operated without adherence to prescribed regulatory and safety standards.

VAHAN lacked alert or notification mechanism to monitor expiry of validity period of TRs, RCs, CFs, Permits *etc*. SPERMIT, developed to regulate Intra-State and Inter-State permits, could not generate list of tax defaulting vehicles of other States and some of permit related services were not integrated. The penal action taken by the Department were not updated in *VAHAN* to track repeat offenders. Temporary Registration of 6,640 vehicles was not followed by permanent registration and expired VRCs of 24,639 vehicles were due for renewal.

The Department could not ensure timely processing of permit applications as 999 permit applications (85 *per cent*) were processed with delays ranging from 33 to 1,838 days.

There was a significant gap between the planned implementation of Automatic Fitness Management System and the current system in place. The Registered Vehicle Scrapping Facility could not be established despite a lapse of more than three years after issue of notification by MoRTH.

The revision in the tax structure led to decline in collection of goods vehicle tax. There was leakage of revenue due to non-registration of vehicles and non/short levy of tax, fee and penalties of ₹ 415.77 crore. The most substantial loss of ₹ 327.35 crore stemmed from failure to enforce issuance of temporary registration through *VAHAN* by M/s Tata Motors.

Godowns for storing the off-loaded excess weight were not established by the Department leading to vehicles operating on public roads with excess weight after being penalised. Transport offices did not have proper infrastructure, lacked dedicated inspection lanes and storage facilities, which adversely affected operational efficiency.

EXCISE AND PROHIBITION DEPARTMENT

2.4 Tax administration

The levy and collection of excise duty is governed by the Bihar Excise Act, 1915, and the Rules made/notifications issued thereunder, as adopted by the Government of Jharkhand. At the Government level, the Secretary of the Excise and Prohibition Department is responsible for administration of the State Excise laws. The Commissioner of Excise (EC) is the head of the Department and is primarily responsible for the administration and execution of State Excise policies and programmes of the Government. The EC is assisted by a Joint Commissioner of Excise, Deputy Commissioner of Excise and Assistant Commissioner of Excise at the Headquarters' level. Further, the State of Jharkhand is divided into three Excise divisions[31], each under the control of a Deputy Commissioner of Excise. The divisions are further divided into 24 Excise districts, each under the charge of an Assistant Commissioner of Excise/ Superintendent of Excise (ACE/SE).

[31] North Chotanagpur Division, Hazaribagh; South Chotanagpur-cum-Palamu-cum-Kolhan Division, Ranchi and Santhal Pargana Division, Dumka.

2.5 Results of audit

During 2023-24, Audit test-checked the records of 13[32] out of the 54 auditable units (24 *per cent*) of the Department. Audit examined records related to all the 661 retail excise shops settled in these units during 2022-23. It was seen that the Department had collected revenue of ₹ 2,010.14 crore during 2022-23, of which the audited units had collected ₹ 1,905.96 crore (92.66 *per cent*). Irregularities amounting to ₹ 276.13 crore in 1,717 cases were noticed, as detailed in **Table-2.30**.

Table-2.30: Irregularities noticed by Audit

Sl. No.	Categories	No. of cases	Amount (₹ in crore)
1	Loss of revenue due to non-achievement of monthly MGR for retail shops	837	207.90
2	Loss of revenue due to non-settlement of Excise shops	26	20.84
3	Non-realisation of penalty due to non-maintenance of minimum stock by wholesalers	03	15.10
4	Shortfall in collection of MGR for Bar and Restaurants	148	3.98
5	Other cases	703	28.30
Total		**1,717**	**276.12**

The Department accepted all the audit observations and has intimated recovery of ₹ 2.08 crore. Irregularities involving 44 cases amounting to ₹ 11.39 crore have been discussed in the succeeding paragraphs.

2.6 Short levy of penalty for non-maintenance of mandatory minimum stock by wholesale licensees

Penalty, equivalent to loss of excise duty of ₹ 8.35 crore due to non-maintenance of mandatory minimum stock of liquor by wholesale licensees, was short levied by the Department.

Under the provisions of the Jharkhand Excise Act, 1915, and rules framed thereunder, Government of Jharkhand issued (March 2022) a notification[33] for grant of licences for wholesale sale of liquor in the State. Rule 9 of Jharkhand Storage and Wholesale of Liquor Rules, 2022, provides that wholesale licensees shall maintain mandatory minimum stock of different brands/categories of liquor as fixed by the Commissioner of Excise for uninterrupted supply of liquor. In case of failure to maintain the mandatory minimum stock of liquor in the godown of the Jharkhand State Beverage Corporation Limited (JSBCL), the wholesale licensees shall be liable to pay penalty equivalent to excise revenue as per duty/slab of the liquor.

Scrutiny of records[34] of Commissioners of Excise (CE) for the period 2022-23 along with the information furnished by JSBCL revealed that, during May 2022 to March 2023, two wholesale licensees[35] of liquor had not maintained the

[32] Secretary, Excise and Prohibition Department, Jharkhand, Ranchi; Assistant Commissioner of Excise, Bokaro, Dhanbad, Hazaribagh, Jamshedpur and Ranchi; Superintendent of Excise, Chaibasa, Deoghar, Dumka, Giridih, Palamu, Sahebganj and Saraikela.

[33] Gazette Notification No. 142 dated 31.03.2022.

[34] Settlement register, Revenue files, licensee ledger and settlement files.

[35] M/s Dishita Ventures Pvt. Ltd. & M/s Om Sai Beverages Pvt. Ltd.

mandatory minimum stock of liquor fixed by the Department. Audit, however, observed that the Department had levied penalty of ₹ 3.60 crore only instead of ₹11.95 crore leviable on short maintenance of stock resulting in short levy of penalty of ₹ 8.35 crore, as detailed in **Table-2.31**.

Table-2.31

Liquor Type	Mandatory Minimum Stock	Actual Stock Maintained	Shortfall in Stock	Penalty Leviable (₹ crore)	Penalty Levied (₹ crore)	Short Levy (₹ crore)
Beer	2.18 crore BL[36]	1.02 crore BL	1.16 crore BL	6.69	3.60	8.35
CL	0.73 crore LPL[37]	0.18 crore LPL	0.55 crore LPL	4.48		
IMFL	0.23 crore LPL	0.21 crore LPL	0.02 crore LPL	0.78		
Total				**11.95**	**3.60**	**8.35**

On being pointed out in April 2024, the Department stated (June 2024) that an amount of ₹ 2.08 crore has been recovered from the licensees and recovery of the balance amount was pending. Further reply has not been received (September 2025).

2.7 Non-levy of late fee for delayed payment of excise revenue

Lack of due diligence on the part of excise authorities resulted in non-levy of late fee amounting to ₹ 3.04 crore on 42 bars and restaurant licensees who had deposited MGR and revenue equivalent to short lifted liquor with delays ranging between 1 and 304 days.

Under the provisions of the Jharkhand Excise Hotel, Restaurant, Bar & Club (Licensing and Operation) Rules, 2022 (implemented in March 2022), each licensee of a hotel, restaurant, bar and club is bound to lift Minimum Guaranteed Quota (MGQ) and also ensure Minimum Guaranteed Revenue (MGR) fixed for the month, failing which the licensee was required to pay revenue equivalent to the short lifted liquor or under achieved MGR, as the case may be, on the last date of the month into the treasury. The MGQ and MGR for the year 2022-23 was fixed by enhancing the annual MGQ and MGR for the year 2021-22 by 15 *per cent*. The annual revenue/quota was further apportioned as six *per cent* for the months of July and August, seven *per cent* for the month of September and nine *per cent* for the remaining months. The Rules further provides for levy of late fee at the rate of five *per cent* per day for non/short deposit of MGR/MGQ fixed for the month.

Scrutiny of records[38] (between August 2023 and March 2024) of ACEs/SEs in respect of bars and restaurants for the period 2022-23 revealed that in six districts[39], licensees of 42 bars and restaurants did not achieve their MGR/MGQ. These licensees had deposited MGR and revenue equivalent to short lifted MGQ amounting to ₹ 32.96 lakh with delays ranging between 1 and 304 days, as detailed in **Table-2.32**.

[36] Bulk Litre.
[37] London Proof Litre.
[38] Settlement register/file, Revenue files, licensee ledger and Penalty report.
[39] Deoghar, Dhanbad, Giridih, Hazaribagh, Jamshedpur and Ranchi.

Table-2.32

Particulars	No. of Licensees	Excise Districts	Achievement vs. Target	Shortfall	Delay in deposit (days)
MGR	21	3 districts[40]	₹ 24.24 lakh (achieved) vs. ₹ 50.37 lakh (fixed)	₹ 26.13 lakh	1-304 days
MGQ (IMFL/FMFL)	21	3 other districts[41]	1,195.29 LPL (lifted) vs. 1,698.08 LPL (fixed)	502.79 LPL	57-304 days
MGQ (Beer)		3 other districts	2,291.80 BL (lifted) vs. 3,392.78 BL (fixed)	1,100.98 BL	57-304 days

Audit, however, noticed that late fee at the rate of five *per cent* per day was not levied for the delayed deposit. Thus, as a result of the lack of due diligence on the part of the Excise authorities, late fee of ₹ 3.04 crore for the delayed deposit of MGR and revenue equivalent to short lifted MGQ was not levied.

On being pointed out (between August 2023 and March 2024), the ACEs/SEs stated (between August 2023 and March 2024) that necessary action would be taken after verification. Further reply has not been received (September 2025).

The matter was reported to the Government in April 2024; their reply is awaited (September 2025).

Ranchi
The 25 February 2026

(INDU AGRAWAL)
Pr. Accountant General (Audit), Jharkhand

Countersigned

New Delhi
The 12 March 2026

(K. SANJAY MURTHY)
Comptroller and Auditor General of India

[40] Dhanbad, Giridih and Jamshedpur.
[41] Deoghar, Hazaribagh and Ranchi.

APPENDICES

Appendix-I

(Referred to in paragraph 2.3.3.2; page-27)

Renewal of certificate of registration of non-transport (personalised) vehicles

Sl. No.	District	No. of vehicles test-checked	No. of vehicles with sale price	No. of vehicles without sale price	No. of cases	Registered		Registration validity		RC renewal fee (₹)	Inspection fee (₹)	Addl. fee (₹)	MV Tax (₹)	Interest (₹)	Green tax (₹)	Smart Card fee (₹)	Total (₹)
						From	To	From	To								
1	Giridih	584	151	433	151	2004	2009	22-04-2019	28-03-2024	7,55,000	1,20,800	23,07,000	28,45,523	16,71,254	2,84,559	30,200	80,14,336
2	Hazaribagh	4,164	774	3,390	79	2004	2009	01-04-2019	19-01-2024	3,95,000	63,200	13,64,000	15,95,984	10,02,699	1,59,598	15,800	45,96,281
3	Jamshedpur	1,040	234	806	234	2004	2009	01-04-2019	22-03-2024	11,60,000	1,85,600	43,35,500	61,43,128	44,18,039	6,14,333	46,400	1,69,03,000
4	Palamu	872	524	348	524	2004	2009	01-04-2019	31-03-2024	26,20,000	4,19,200	94,56,000	98,07,993	66,91,867	9,80,842	1,04,800	3,00,80,702
5	Ranchi	17,755	3,987	13,768	269	2004	2009	06-04-2019	30-03-2024	13,45,000	2,15,200	40,77,500	70,66,402	40,29,233	7,06,667	53,800	1,74,93,802
6	Simdega	224	126	98	63	2005	2009	26-01-2020	16-03-2024	3,15,000	50,400	10,04,000	13,46,363	8,43,933	1,34,638	12,600	37,06,934
	Total	**24,639**	**5,796**	**18,843**	**1,320**					**65,90,000**	**10,54,400**	**2,25,44,000**	**2,88,05,393**	**1,86,57,025**	**28,80,637**	**2,63,600**	**8,07,95,055**

Appendix-II

(Referred to in paragraph 2.3.3.2; page-27)

Renewal of certificate of registration of Transport Vehicles

Sl. No.	Districts	CFs issued	No. of vehicles more than15 years old	No. of cases	Registration		Fitness Validity		RC Renewal Fee (₹)
					From	To	From	To	
1	Giridih	2,126	86	86	1990	2009	01-04-2023	17-03-2025	4,61,000
2	Hazaribagh	11,561	350	308	1990	2009	31-03-2023	29-03-2025	19,49,000
3	Jamshedpur	19,987	1,570	426	2000	2009	29-04-2023	29-03-2025	23,43,000
4	Palamu	4,389	303	92	2000	2008	31-03-2023	29-03-2025	5,16,000
5	Ranchi	9,009	355	179	1990	2008	04-05-2023	14-03-2025	10,74,000
6	Simdega	1,334	26	17	2004	2009	10-01-2024	12-03-2025	1,01,000
	Total	**48,406**	**2,690**	**1,108**					**64,44,000**

Appendix-III

(Referred to in paragraph 2.3.3.4; page-30)

Local registration mark

Sl. No.	DTO	Vehicles registered	No. of cases	Assignment fee (₹)	Fine U/s 177 (₹)	Smart card Fee (₹)	Total (₹)
1	Giridih	2,084	136	1,33,300	68,000	27,200	2,28,500
2	Hazaribagh	1,722	221	2,12,900	1,10,500	44,200	3,67,600
3	Jamshedpur	1,443	452	4,13,800	2,26,000	90,400	7,30,200
4	Palamu	3,625	58	39,700	29,000	11,600	80,300
5	Ranchi	3,997	184	1,49,900	92,000	36,800	2,78,700
6	Simdega	68	21	21,500	10,500	4,200	36,200
Total		**12,939**	**1,072**	**9,71,100**	**5,36,000**	**2,14,400**	**17,21,500**

Appendix: IV

(Referred to in Paragraph 2.3.3.5; page-30)

Revision in Registered Laden Weight of transport vehicles

Sl. No.	Districts	No. of vehicles test-checked	Vehicles under observation	Registration		Manufacturing Year	Range of previous RLW			Range of RLW after revision	
				From	To	From	To	From	To	From	To
1	Giridih	530	10	2018	2021	2018	2021	15,710	47,500	19,000	53,500
2	Hazaribagh	2,409	192	2019	2023	2019	2023	15,710	48,000	19,000	55,000
3	Jamshedpur	1,894	17	2019	2020	2019	2019	7,300	42,000	8,250	48,000
4	Palamu	615	116	2019	2024	2019	2024	15,710	42,000	18,000	46,000
Total		**5,448**	**335**								

Appendix: V

(Referred to in paragraph 2.3.3.6; page-31)

Misclassification of vehicles

Sl. No.	DTOs	Number of misclassified vehicles	Tax leviable (in ₹)	Tax levied (in ₹)	Short levy (in ₹)
1	Giridih	9	12,54,548	5,00,200	7,54,348
2	Jamshedpur	74	2,21,80,570	52,63,560	1,69,17,010
3	Palamu	13	15,51,204	6,35,600	9,15,604
4	Simdega	16	23,76,746	8,54,370	15,22,376
Total		112	2,73,63,068	72,53,730	2,01,09,338

Appendix: VI

(Referred to in paragraph 2.3.3.8; page-33)

Dispatch of vehicles by manufacturer/dealer

Tonnage	Number of Vehicles	Fee (₹)	Tax (₹)	Total (₹)
12 ton	2	1,500	10,400	11,900
15 ton	86	64,500	5,50,400	6,14,900
16 ton	46	34,500	3,12,800	3,47,300
19 ton	87	65,250	6,96,000	7,61,250
24 ton	47	35,250	4,70,000	5,05,250
25 ton	36	27,000	3,74,400	4,01,400
28 ton	60	45,000	6,96,000	7,41,000
35 ton	4	3,000	57,600	60,600
40 ton	1	750	16,400	17,150
55 ton	10	7,500	2,24,000	2,31,500
Total	**379**	**2,84,250**	**34,08,000**	**36,92,250**

Appendix-VII

(Referred to in paragraph 2.3.4.1; page-34)

Certificate of fitness issued by Motor Vehicle Inspectors

Sl. No.	Districts	2019-20	2020-21	2021-22	2022-23	2023-24	Total
1	Giridih	2,172	984	2,261	1,688	1,111	8,216
2	Hazaribagh	15,177	7,088	12,112	8,939	10,772	54,088
3	Jamshedpur	22,088	10,870	16,676	11,349	13,378	74,361
4	Palamu	2,526	1,447	2,258	1,900	2,219	10,350
5	Ranchi	2,342	3,348	5,710	5,015	10,536	26,951
6	Simdega	962	395	720	674	665	3,416
Total		**45,267**	**24,132**	**39,737**	**29,565**	**38,681**	**1,77,382**
Number of certificates of fitness issued by the ATS in selected districts							
Sl. No.	**Authorised/Automated Testing Stations**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**Total**
1	TUV SUD, Ranchi	8,245	0	0	0	0	8,245
2	M/s Auto Fitness Centre, Ranchi	7,323	4,913	7,574	4,462	5,833	30,105
3	Universal Automated Fitness Centre, Jamshedpur	0	1	164	1,436	2,491	4,092
4	Auto Tech Vehicle Fitness, Ranchi	0	0	3,325	2,916	3,122	9,363
5	Global Automated Fitness, Hazaribag	0	0	0	0	495	495
Total		**15,568**	**4,914**	**11,063**	**8,814**	**11,941**	**52,300**
Grand Total							**2,29,682**

Appendix: VIII

(Referred to in Paragraph No. 2.3.4.2; page-36)

Renewal of certificate of fitness of transport vehicles

Sl. No.	Districts	Transport vehicles	Transport vehicles more than 12 years old	Transport vehicles more than 12 years old (unfit)	No. of vehicles test-checked	No of vehicles under observation	Registered		Validity of certificate of fitness		Tax paying period		Default period for green tax		MV tax for the period (₹)	Green Tax (₹)
							From	To	From	To	From	To	From	To		
1	Giridih	51,552	24,816	24,582	15,555	148	2001	2012	04-06-2019	21-12-2023	26-09-2020	09-12-2031	05-06-2019	22-12-2023	68,93,428	6,89,342
2	Hazaribagh	93,563	34,026	31,940	31,940	433	2000	2012	15-01-2019	15-02-2024	06-02-2020	14-04-2025	25-04-2019	28-03-2024	1,65,78,841	16,57,888
3	Jamshedpur	1,27,304	65,316	60,915	60,913	382	2000	2012	01-04-2019	23-12-2023	13-05-2020	31-01-2028	02-04-2019	24-12-2023	1,37,84,318	13,78,432
4	Palamu	44,704	14,060	13,679	13,679	119	2000	2012	19-04-2019	19-03-2024	17-12-2019	21-07-2026	20-04-2019	20-03-2024	54,38,904	5,43,889
5	Ranchi	1,81,320	78,456	76,032	2,350	355	1987	2012	23-01-2019	30-03-2024	12-03-2020	13-05-2025	05-01-2019	31-03-2024	1,59,51,976	15,95,196
6	Simdega	8,679	1,413	1,081	1,081	32	2000	2011	10-04-2019	12-01-2024	14-05-2021	06-10-2025	17-08-2019	13-01-2024	14,86,320	1,48,632
	Total	**5,07,122**	**2,18,087**	**2,08,229**	**1,25,518**	**1,469**									**6,01,33,787**	**60,13,379**

Appendix: IX

(Referred to in paragraph No. 2.3.5.4, page-41)

Renewal of stage carriage and Educational Institution Bus permits

Sl. No.	Stage carriage	School Bus	Total	Fee (₹)	Late fee (₹)	Total (₹)
1	20	46	66	5,46,900	6,60,000	12,06,900
2	22	14	36	2,66,700	3,60,000	6,26,700
3	50	106	156	12,84,900	15,60,000	28,44,900
Total	**92**	**166**	**258**	**20,98,500**	**25,80,000**	**46,78,500**

Appendix: X

(Referred to in Paragraph No. 2.3.7.2; page-47)

Tax from transport vehicles

(A) Goods Vehicles

Sl. No	District	No. of vehicles registered	No. of vehicles test-checked	No. of vehicles under observation	Registered		Tax defaulting period		Tax due (₹)	Penalty (₹)	Total (₹)
					From	To	From	To			
1	Giridih	32,359	4,161	200	2000	2023	04-04-2019	05-12-2023	59,40,200	1,18,80,400	1,78,20,600
2	Hazaribagh	35,643	13,558	1,044	2004	2023	04-09-2022	01-11-2023	2,91,11,000	5,82,22,000	8,73,33,000
3	Jamshedpur	5,032	11,452	729	2001	2023	05-04-2019	21-12-2023	1,79,34,400	3,58,68,800	5,38,03,200
4	Palamu	34,397	1,895	231	2001	2023	19-06-2020	12-12-2023	41,80,000	83,60,000	1,25,40,000
5	Ranchi	10,005	12,426	627	2001	2023	18-12-2020	16-09-2023	84,46,800	1,68,93,600	2,53,40,400
6	Simdega	887	422	67	2000	2023	13-09-2019	29-11-2023	22,60,400	45,20,800	67,81,200
Total (A)		**1,18,323**	**43,914**	**2,898**					**6,78,72,800**	**13,57,45,600**	**20,36,18,400**

(B) Passenger Vehicles

Sl. No	District	No. of vehicles registered	No. of vehicles test-checked	No. of vehicles under observation	Registered		Tax defaulting period		Tax due (₹)	Penalty (₹)	Total (₹)
					From	To	From	To			
1	Giridih	925	538	21	2000	2023	25-04-2019	08-11-2023	6,02,964	12,05,928	18,08,892
2	Hazaribagh	2,429	886	34	2004	2023	23-09-2022	13-10-2023	9,89,944	19,79,888	29,69,832
3	Jamshedpur	3,037	1,183	25	2004	2023	13-08-2021	25-12-2023	7,54,248	15,08,496	22,62,744
4	Palamu	1,296	491	27	2005	2023	15-05-2020	08-12-2023	9,59,014	19,18,028	28,77,042
5	Ranchi	6,827	2,418	92	2003	2023	10-05-2019	31-08-2023	26,18,903	52,37,806	78,56,709
6	Simdega	148	61	11	2005	2023	23-03-2021	01-10-2023	6,74,343	13,48,686	20,23,029
Total (B)		**14,662**	**5,577**	**210**					**65,99,416**	**1,31,98,832**	**1,97,98,248**
Grand Total (A+B)		**1,32,985**	**49,491**	**3,108**					**7,44,72,216**	**14,89,44,432**	**22,34,16,648**

Appendix: XI

(Referred to Paragraph No 2.3.7.3; page-48)

One-time tax

(A) Three-Wheeler passenger vehicles

Sl. No.	District	No. of vehicles test-checked	No. of vehicles under observation	Registered		Range of Tax defaulting period		Tax (₹)	Fine (₹)	Total (₹)
				From	To	From	To			
1	Giridih	4,749	26	2014	2019	30-01-2019	07-01-2024	1,65,359	1,32,389	2,97,748
2	Hazaribagh	4,703	186	2009	2019	31-03-2019	21-03-2024	12,02,096	14,48,614	26,50,710
3	Jamshedpur	15,636	182	2009	2019	01-04-2019	25-03-2024	6,94,706	8,31,334	15,26,040
4	Palamu	7,597	44	2006	2020	03-04-2019	14-10-2023	2,86,946	3,31,277	6,18,223
5	Ranchi	21,449	1,127	2009	2019	01-04-2019	02-03-2024	68,89,341	81,45,453	1,50,34,794
6	Simdega	322	50	2010	2018	11-04-2021	29-01-2024	1,29,085	77,738	2,06,823
Total		**54,456**	**1,615**					**9367,533**	**1,09,66,805**	**2,03,34,338**

(B) Goods Vehicles less than 3,000 Kgs

Sl. No.	District	No. of test-checked vehicles	No. of vehicles under observation	RC from	RC upto	Tax from	Tax upto	Tax for 10 years (₹)	Tax for (10+5) years (₹)	Fine on 10 years Tax (₹)	Fine on (10+5) years Tax (₹)	Total (₹)
1	Giridih	2,398	108	2010	2019	07-03-2021	29-03-2024	46,452	17,68,509	20,026	6,13,865	24,48,852
2	Hazaribagh	5,597	186	2009	2019	31-03-2019	30-03-2024	1,88,207	28,60,897	2,14,682	8,61,388	41,25,174
3	Jamshedpur	13,997	887	2010	2019	01-04-2019	31-03-2024	14,95,876	97,30,483	17,76,416	50,67,030	1,80,69,805
4	Palamu	2,172	197	2009	2019	02-04-2019	30-03-2024	1,74,444	33,04,724	1,49,172	18,74,477	55,02,817
5	Ranchi	18,474	1,132	2009	2020	03-04-2019	30-03-2024	10,16,365	1,39,33,433	10,13,209	77,81,705	2,37,44,712
6	Simdega	1,074	24	2010	2017	12-04-2019	31-01-2024	15,020	7,14,311	12,300	3,65,543	11,07,173
Total		**43,712**	**2,534**					**29,36,363**	**3,23,12,357**	**31,85,805**	**1,65,64,008**	**5,49,98,533**
								3,52,48,720		**1,97,49,813**		

(C) Motor Cab Vehicles

Sl. No.	District	No. of vehicles test-checked	No. of vehicles under observation	RC from	RC upto	Tax from	Tax upto	Tax for 12 years (₹)	Tax for (12+5) years (₹)	Fine on 12 years' Tax (₹)	Fine on (12+5) years' Tax (₹)	Total (₹)
1	Giridih	1,713	27	2008	2019	11-04-2019	23-03-2024	91,193	3,48,433	1,18,989	2,46,401	8,05,016
2	Hazaribagh	4,391	240	2008	2020	01-04-2019	29-03-2024	35,98,549	1682528	39,86,746	9,84,294	1,02,52,117
3	Jamshedpur	6,660	541	2008	2022	01-04-2019	30-03-2024	76,18,728	3810766	81,72,957	14,60,279	2,10,62,730
4	Palamu	2,052	78	2008	2023	09-02-2019	26-03-2024	19,92,244	268847	21,86,627	1,77,359	46,25,077
5	Ranchi	8,999	665	2008	2023	01-04-2019	30-03-2024	1,53,20,226	2755341	1,46,72,625	12,38,594	3,39,86,787
6	Simdega	330	17	2008	2016	10-03-2019	07-03-2024	1,64,623	122624	2,10,088	69,374	5,66,709
Total		**24,145**	**1,568**					**2,87,85,564**	**8988539**	**2,93,48,032**	**41,76,301**	**7,12,98,436**
								3,77,74,103		**3,35,24,333**		

(D) Construction Equipment Vehicle

Sl. No.	District	No. of vehicles test-checked	No. of vehicles under observation	Registered		Range of Tax defaulting period		Tax for 12 years (₹)	Tax for (12+5) years (₹)	Fine on 12 years' Tax (₹)	Fine on (12+5) years' Tax (₹)	Total (₹)
				From	To	From	To					
1	Giridih	44	3	2017	2020	12-03-2020	18-02-2024	3,16,956	0	2,10,610	0	5,27,566
2	Hazaribagh	166	80	2017	2019	02-02-2019	16-03-2019	1,24,75,786	0	1,61,16,425	0	2,85,92,211
3	Jamshedpur	86	27	2008	2019	17-12-2014	29-03-2024	15,78,505	6,20,603	10,55,081	2,92,706	35,46,895
4	Palamu	11	3	2017	2020	12-03-2020	18-02-2024	3,16,956	0	2,10,610	0	5,27,566
5	Ranchi	267	63	2009	2024	01-02-2019	11-03-2024	1,05,30,715	1,57,789	1,32,38,464	82,458	2,40,09,426
6	Simdega	35	8	2011	2021	16-03-2019	01-12-2023	5,77,017	2,11,400	5,51,733	67,760	14,07,910
Total		**609**	**184**					**2,57,95,936**	**9,89,792**	**3,13,82,923**	**4,42,924**	**5,86,11,575**
								2,67,85,728		**3,18,25,847**		

Abstract of non-realisation of One-time tax

Class of vehicles	No of test-checked vehicles	No. of vehicles under observation	Tax due (₹)	Fine due (₹)	Total (₹)
A. Three-wheeler passenger	54,456	1,615	93,67,533	1,09,66,805	2,03,34,338
B. Goods vehicles<3000 Kg.	43,712	2,534	3,52,48,720	1,97,49,813	5,49,98,533
C. Motor cabs	24,145	1,568	3,77,74,103	3,35,24,333	7,12,98,436
D. Construction equipment vehicles	609	184	2,67,85,728	3,18,25,847	5,86,11,575
Total	**1,22,922**	**5,901**	**10,91,76,084**	**9,60,66,798**	**20,52,42,882**

Appendix: XII

(Referred to in Paragraph No. 2.3.7.4; page-49)

Vehicles plying under reciprocal agreements

Sl. No.	State	No. of vehicles	Permit Validity		Range of Tax paid		Tax Defaulting Period		Tax Due (₹)	Penalty Due (₹)	Total (₹)
			From	To	From	To	From	To			
1	Bihar	33	21-10-2021	01-03-2028	25-04-2023	28-03-2024	26-04-2023	29-03-2024	15,79,071	31,58,142	47,37,213
2	Chhattisgarh	5	01-10-2021	03-05-2028	03-08-2023	11-01-2024	04-08-2023	12-01-2024	1,74,025	3,48,050	5,22,075
3	Odissa	5	09-02-2021	19-06-2028	14-10-2023	31-03-2024	15-10-2023	01-04-2024	1,71,358	3,42,716	5,14,074
4	West Bengal	18	11-08-2020	10-11-2027	29-04-2023	15-02-2024	30-04-2023	16-02-2024	10,72,191	21,44,382	32,16,573
Total		**61**							**29,96,645**	**59,93,290**	**89,89,935**

Appendix: XIII

(Referred to in Paragraph No. 2.3.7.7; page-52)

Penalty from transport vehicles

Sl. No.	District	Test checked transactions	Transactions under observation	Receipt Date		Delay in quarters	Tax levied (₹)	Penalty levied (₹)	Tax leviable (₹)	Penalty leviable (₹)	Non/short penalty (₹)
				From	To						
1	Giridih	25,580	135	18-04-2019	19-01-2024	1 to 5	8,03,352	23,738	8,03,352	5,85,573	5,61,835
2	Hazaribagh	71,450	262	05-04-2023	30-03-2024	1 to 8	21,96,515	0	21,96,515	9,39,921	9,39,921
3	Jamshedpur	2,016	86	22-11-2023	30-03-2024	1 to 8	6,18,689	0	6,18,689	2,62,873	2,62,873
4	Palamu	37,072	149	24-02-2022	31-03-2024	1 to 11	8,56,200	64,700	8,56,200	4,72,850	4,08,150
5	Ranchi	38,972	86	05-04-2023	31-03-2024	1 to 4	3,14,464	0	3,14,464	1,42,761	1,42,761
6	Simdega	6,764	102	11-10-2021	29-12-2023	1 to 5	6,74,600	21,100	6,74,600	4,76,250	4,55,150
Total		**1,81,854**	**820**				**54,63,820**	**1,09,538**	**54,63,820**	**28,80,228**	**27,70,690**

Appendix: XIV

(Referred to in Paragraph No. 2.3.7.9; page-54)

Transfer of collected revenue

(Amounts in ₹)

Months	Opening Balance	Deposit	Remitted into treasury	Remitted into Road Safety Fund Account	Penalty	Charge Back	Refund	Closing Balance	Bank rate and penal interest	Penal interest
Jan-21	16.01	93,261.00	0.00	0.00	0.00	0.00	0.00	93,277.01	7.25	0.00
Feb-21	93,277.01	3,84,500.00	0.00	0.00	0.00	0.00	0.00	4,77,777.01	7.25	2,282.00
Mar-21	4,77,777.01	9,42,700.00	2,84,000.00	0.00	0.00	0.00	0.00	11,36,477.01	7.25	6,262.00
Apr-21	11,36,477.01	10,88,550.00	0.00	0.00	0.00	6,000.00	0.00	22,19,027.01	7.25	12,802.00
May-21	22,19,027.01	4,58,650.00	0.00	0.00	0.00	0.00	0.00	26,77,677.01	7.25	15,573.00
Jun-21	26,77,677.01	8,92,750.00	0.00	0.00	0.00	500.00	0.00	35,69,927.01	7.25	20,964.00
Jul-21	35,69,927.01	12,66,600.00	0.00	0.00	0.00	0.00	0.00	48,36,527.01	7.25	28,617.00
Aug-21	48,36,527.01	14,59,300.00	0.00	0.00	3,100.00	1,000.00	0.00	62,91,727.01	7.25	37,408.00
Sep-21	62,91,727.01	16,36,850.00	0.00	0.00	0.00	0.00	0.00	79,28,577.01	7.25	47,298.00
Oct-21	79,28,577.01	16,64,104.00	0.00	0.00	0.00	150.00	0.00	95,92,531.01	7.25	57,351.00
Nov-21	95,92,531.01	20,08,700.00	0.00	18,72,886.20	0.00	500.00	0.00	97,27,844.81	7.25	58,168.00
Dec-21	97,27,844.81	40,80,453.00	46,48,358.40	0.00	0.00	0.00	0.00	91,59,939.41	7.25	54,737.00
Jan-22	91,59,939.41	58,65,953.00	1,07,78,713.13	26,94,678.28	0.00	6,500.00	0.00	15,46,001.00	7.25	8,736.00
Feb-22	15,46,001.00	88,22,961.00	57,60,000.00	14,40,000.00	0.00	26,150.00	0.00	31,42,812.00	7.25	18,384.00
Mar-22	31,42,812.00	79,42,563.00	84,62,818.40	21,15,704.60	0.00	4,45,153.00	0.00	61,699.00	7.25	0.00
Apr-22	61,699.00	63,65,854.00	33,60,000.00	10,40,000.00	15,900.00	1,12,850.00	0.00	18,98,803.00	7.25	10,868.00
May-22	18,98,803.00	62,71,911.00	40,80,000.00	10,20,000.00	4,700.00	11,500.00	0.00	30,54,514.00	7.65	18,835.00
Jun-22	30,54,514.00	63,72,152.00	52,00,000.00	13,00,000.00	0.00	8,000.00	0.00	29,18,666.00	8.15	19,143.00
Jul-22	29,18,666.00	2,59,03,849.00	36,00,000.00	9,00,000.00	0.00	25,150.00	0.00	2,42,97,365.00	8.15	1,64,340.00
Aug-22	2,42,97,365.00	1,45,94,157.00	1,52,00,000.00	38,00,000.00	0.00	9,150.00	0.00	1,98,82,372.00	8.65	1,42,598.00
Sep-22	1,98,82,372.00	1,41,62,070.00	1,20,00,000.00	72,00,000.00		19,000.00	0.00	1,48,25,442.00	8.65	1,06,146.00
Oct-22	1,48,25,442.00	1,28,31,685.00	0.00	0.00	0.00	15,300.00	0.00	2,76,41,827.00	9.15	2,10,006.00
Nov-22	2,76,41,827.00	1,14,39,738.00	1,20,00,000.00	30,00,000.00	0.00	1,150.00	0.00	2,40,80,415.00	9.15	1,82,851.00
Dec-22	2,40,80,415.00	1,95,27,943.00	0.00	0.00	0.00	20,500.00	0.00	4,35,87,858.00	9.50	3,44,279.00
Jan-23	4,35,87,858.00	1,65,60,003.00	0.00	0.00	0.00	12,000.00	0.00	6,01,35,861.00	9.50	4,75,284.00
Feb-23	6,01,35,861.00	2,01,99,178.00	0.00	0.00	0.00	29,750.00	0.00	8,03,05,289.00	9.75	6,51,668.00
Mar-23	8,03,05,289.00	2,22,07,391.00	8,19,27,944.00	2,04,81,986.00	0.00	8,650.00	0.00	94,100.00	9.75	0.00
Apr-23	94,100.00	1,85,72,829.00	0.00	0.00	0.00	3,000.00	0.00	1,86,63,929.00	9.75	1,50,832.00
May-23	1,86,63,929.00	2,17,68,848.00	0.00	0.00	0.00	8,650.00	0.00	4,04,24,127.00	9.75	3,27,634.00
Jun-23	4,04,24,127.00	2,18,59,646.00	0.00	0.00	0.00	15,500.00	0.00	6,22,68,273.00	9.75	5,05,117.00
Jul-23	6,22,68,273.00	2,50,81,941.00	2,24,00,000.00	76,00,000.00	0.00	81,600.00	0.00	5,72,68,614.00	9.75	4,64,495.00
Aug-23	5,72,68,614.00	2,19,50,474.00	0.00	0.00	0.00	32,750.00	0.00	7,91,86,338.00	9.75	6,42,576.00
Sep-23	7,91,86,338.00	2,17,92,034.56	0.00	0.00	0.00	62,801.00	0.00	10,09,15,571.56	9.75	8,19,127.00
Oct-23	10,09,15,571.56	2,01,45,578.05	0.00	0.00	0.00	41,101.00	0.00	12,10,20,048.61	9.75	9,82,475.00
Nov-23	12,10,20,048.61	1,96,56,617.07	0.00	0.00	0.00	6,950.00	1,000.00	14,06,68,715.68	9.75	11,42,121.00
Dec-23	14,06,68,715.68	2,65,95,603.00	0.00	0.00	0.00	38,803.00	0.00	16,72,25,515.68	9.75	13,57,895.00
Jan-24	16,72,25,515.68	2,21,56,297.50	0.00	0.00	0.00	7,100.00	0.00	18,93,74,713.18	9.75	15,37,857.00
Feb-24	18,93,74,713.18	1,87,87,648.00	0.00	0.00	0.00	14,000.00	0.00	20,81,48,361.18	9.75	16,90,393.00
Mar-24	20,81,48,361.18	1,86,64,886.00	17,96,77,750.54	4,61,97,794.64	0.00	27,000.00	1,000.00	9,09,702.00	9.75	6,579.00
Total		**47,20,76,228.18**	**36,93,79,584.47**	**10,06,63,049.72**	**23,700.00**	**10,98,208.00**	**2,000.00**			**1,23,21,701.00**

Appendix: XV
(Referred to in Paragraph No. 2.3.8.2; page-56)
Penalty under the Carriage by Road Act

Sl. No.	District	Total Money Receipts (in Volumes)	No. of vehicles penalised u/s 194 of MV Act	Penalty imposed u/s 194(1) (₹)	Non-imposition of penalty u/s 5(3) of CBRT Act (₹)	Non-imposition of fine u/s 18(1) of CBRT Act (₹)	Total non-imposition of penalty and fine (₹)
1	DTO Giridih	8	164	47,79,000	47,79,000	8,20,000	55,99,000
2	RTA Hazaribagh	1	14	4,64,000	4,64,000	70,000	5,34,000
3	DTO, Hazaribagh	7	40	12,19,000	12,19,000	2,00,000	14,19,000
4	DTO, Jamshedpur	6	30	6,04,000	6,04,000	1,05,000	7,09,000
5	DTO, Palamu	9	313	1,35,06,000	1,35,06,000	23,95,000	1,59,01,000
6	RTA Ranchi	10	36	9,78,000	9,78,000	1,80,000	11,58,000
7	DTO, Simdega	16	96	12,66,000	12,66,000	2,90,000	15,56,000
Total		**57**	**693**	**2,28,16,000**	**2,28,16,000**	**40,60,000**	**2,68,76,000**

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