

**FIFTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
(2023-2026)**

**SEVENTY NINTH REPORT**

(Presented on 12th March, 2025)



**SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM  
2025**

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ON  
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SEVENTY NINTH REPORT

On

**Action Taken by Government on the Recommendations contained in the  
Thirty Fourth of the Committee on Public Accounts (2011-14)**

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COMMITTEE ON PUBLIC ACCOUNTS

(2023-2026)

**COMPOSITION**

*Chairperson :*

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*Legislature Secretariat :*

DR. N. Krishna Kumar, Secretary

Shri Selvarajan P. S., Joint Secretary

Shri Jomy K. Joseph, Deputy Secretary

Smt. Beena O. M., Under Secretary.

## INTRODUCTION

I, the Chairperson, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Seventy Ninth Report on Action Taken by Government on the recommendations contained in the Tirty Fourth Report of the Committee on Public Accounts (2011-14).

The Committee considered and finalised this Report at the meeting held on 7<sup>th</sup> February, 2025.

Thiruvananthapuram,  
12<sup>th</sup> March, 2025.

SUNNY JOSEPH,  
*Chairperson,*  
*Committee on Public Accounts.*

## **REPORT**

**This Report deals with the Action Taken by the Government on the recommendations contained in the 34<sup>th</sup> Report of the Committee on Public Accounts (2011-14).**

The 34<sup>th</sup> Report of the Committee on Public Accounts (2011-14) was presented in the House on 28<sup>th</sup> January 2014. The Report contained 12 recommendations relating to Transport Department. The Report was forwarded to Government on 7-2-2014 to furnish the Statements of Action Taken on the recommendations contained in the Report and the final reply was received on 16-1-2024.

The Committee examined the Statements of Action Taken received from the Government at its meetings held on 21-11-2018, 1-7-2020, 6-10-2022 and 17-1-2024. The Committee decided not to pursue further action on the recommendations in the light of the replies furnished by the Government. The recommendations and Government replies are incorporated in this Report.

### **TRANSPORT DEPARTMENT**

#### **Recommendation**

(Sl. No.1, Paragraph No. 2)

The Committee reprimands the department in not furnishing the RMT Statement neither within the stipulated time nor at the time of witness examination. It recommends to forward a detailed report regarding the balance amount pending to be collected, the amount already collected, by what time the collection could be completed etc., to the Committee.

#### **Action Taken**

Under this introductory paragraph, the audit has categorized the lapses noticed during the year 2008-09 as

1. Non/short levy of tax
2. Incorrect classification
3. Irregular exemption
4. Other lapses

The above items have not become the Draft notes and are only mentioned generally in the audit reports. The Transport Commissioner reported that separate file references are being maintained for each case and action taken received from the sub offices in each items are being furnished to the Accountant General directly.

Also, effective steps are being taken by the Motor Vehicles Department to settle the long pending/existing local Audit paras by conducting Audit Committee meetings every year in every district, with the officials of the Accountant General in the quorum. The last Audit Committee Meeting has been conducted at Wayanad District on 20<sup>th</sup> of November 2015 and the team has discussed the progress of the efforts of the Department and have dropped some Local Audit Reports completely and had given strict directions to settle/close the remaining local audit paras. The Minutes of the meeting is being awaited from the Accountant General.

About **49 LARs** and **324** paras have been SETTLED in the previous year.

**Local Audit Reports pending as on 28-2-2015**

<b>Year</b>	<b>Local Audit Reports</b>	<b>Paras</b>
2005-06	5	10
2006-07	9	15
2007-08	12	23
2008-09	14	32
2009-10	28	86
2010-11	46	178
2011-12	60	372
2012-13	61	386
2013-14	64	623
<b>TOTAL</b>	<b>299</b>	<b>1725</b>

[Ref No. Report(RS)/PAC/34/2011-14/597, Dated 24-7-2018]

[Considered on 21-11-2018]

### **Recommendation**

[Sl. No. 2, Paragraph No.7]

Regarding the irregular renewal of driving licence, the committee was informed that the software used for the purpose was designed in such a way that, when the licence for badge was revised, automatic revision of driving licence for non-transport vehicles would occur, which was not intentional. Then the Committee suggests that the department should take necessary steps to rectify the error in the software or should take necessary steps to amend the relevant provision in the statute. The Committee also directs the department to intimate the corrective measures taken in this regard.

### **Action Taken**

Separate driving licences are not issued to Non-Transport vehicles and Transport vehicles. But separate validities for Non-Transport vehicles and Transport vehicles are endorsed in a single Licence if the holder is entitled to drive Transport vehicles.

**I.** It has been pointed out by the audit that, at the time of renewal of driving licences to drive transport vehicles, the system erroneously renewed the period of validity of licences to drive non-transport vehicles also for a period of 5 years or 20 years or till the attainment of 50 years of age from the date of renewal of badge, even in the case where validity of driving licence of non transport vehicle had not expired. This irregular renewal without an application and remittance of prescribed fee resulted in loss of revenue amounting to 67.65 lakh in 27,061 cases out of 19 offices test checked.

**II.** On a careful reading of Section 14(B) and considering the Fundamental Rights of a Citizen, Natural Justice to be followed by a Government Department towards a Citizen and also considering the following Grounds and Facts it may kindly be seen that there is no revenue loss occurred in this case, as pointed out by the audit.



### III. Grounds

1. Sub section(1) of Section-6 of MV Act 1988 restricts a person to hold more than one driving licence at a time. It contemplates that no person shall, while he holds any driving licence for the time being in force, hold any other driving licence except a learners licence or a driving licence issued in accordance with the provisions of Section-18. Hence a person cannot hold two separate driving licences for Transport and Non-Transport category at a time. This connotes that two separate renewal cannot be applied in a single licence.

2. Accordingly, our Department is not issuing separate driving licence for 'Transport Vehicles' and 'Non Transport Vehicles'.

3. Period of validity of a licence authorizing its holder to drive both Non-Transport vehicles and Transport vehicles together has not been specifically mentioned anywhere in the MV Act. But Form-6 and Form-7, which are the forms for licences in Book-form and Card Form respectively, specifies separate validities for Non-Transport Vehicles and Transport Vehicles.

4. When an authorization to drive transport vehicle is endorsed in a licence, that licence becomes transport vehicle licence. Issue of such authorization is governed by the Kerala Motor Vehicle Rules 1989.

5. Authorisation to drive a transport vehicle is endorsed in a driving licence only once, on receiving an application in Form LTA. Provisions are not seen included in the Act & Rules for its renewal. Moreover any application-form or fee is not seen prescribed for the renewal of such authorization.

(1) Rule 5 of the KMV Rules states that “ No fee is charged for endorsing an authorization in a driving licence for driving transport vehicles”

(2) Rule 9(ii) stipulates 50/- for oral test for the issue of such endorsement, which is a one time requirement in the life cycle of a transport vehicle licence at the time of its first issue.

(3) Rule 12 of the KMV Rules expects that a Metal Badge to be issued to the driver while endorsing the above authorization in his licence on payment a fee of 50 (rupees fifty).

(4) While endorsing such authorization authorizing a person to drive transport vehicles, 3 year period validity will be endorsed in his licence against the column-"The licence to drive transport vehicle is valid from .....to....." as required by the section 14(2)(a).

6. In short, if a person is licenced to drive both "Non Transport and Transport vehicles, we are issuing only one licence with two different validities, expiring on different dates"

(1) No separate application forms are prescribed for the renewal of Non Transport and Transport validities.

(2) No separate fee is prescribed for the Renewal of Non Transport Validity of Transport Validity in the MV Act 1988 or CMV Rules or KMV Rules.

7. The Application in Form 9 and the Fee under Rule 32(8) of the CMV Rules are intended for the renewal of a **Driving Licence**, but not for the renewal of a **badge** or not for the renewal of an **authorization** or not for the renewal of a **particular validity**.

8. From the above grounds, it can be proved that the **Basic Concept** of the audit report that the 'badge is renewable is **erroneous**.'

#### **IV. FACTS**

1. Issue and Renewal of Driving Licences are governed by the MV Act 1988 and the CMV Rules 1989.

2. Section 15(3) of the MV Act is re-produced hereunder:

"Where an application for the renewal of a driving licence is made previous to, or not more than thirty days of its expiry, the fee payable for such renewal shall be such as may be prescribed by the Central Government."

3. It is clear from the above Act that the Law does not prevent the department to renew a licence on an application submitted prior to its expiry.

4. Section 14(b) of the MV Act is reproduced hereunder which is related to Non Transport validity.

"(b) in the case of any other licence-

(i) if the person obtaining the licence, either originally or on renewal thereof, has not attained the age of fifty years on the date of issue, or as the case may be, renewal thereof-

(A) be effective for a period of twenty years from the date of such issue or renewal; or

(B) until the date on which such person attains the age of fifty years whichever is earlier;

(ii) if the person referred to in sub clause(i), has attained the age of fifty years on the date of issue or as the case may be, renewal thereof, be effective, on payment of such fee as may be prescribed for a period of five years from the date of such issue or renewal.

5. The above Law states that the non transport validity of a licence must be 20 years or five years or up to the attainment of 50 years of age of the holder, from the date of its issue, whether it is the "First issue" or "Renewal issue" of that licence.

6. The Law does not specify that the NTV Validity and TV validity must be renewed separately on separate applications and on separate fees.

7. But it clearly specifies that the licence must have validity of Non Transport vehicles in accordance with above Law on the date of First issue of the Licence or on the date of renewal issue of the Licence.

8. Rule 18(1) of the CMV Rule states that "An application of a driving licence shall be made in Form-9".

9. Form-9 is appended for ready reference. Following wordings in the application Form-9 may kindly be seen.

"I .....hereby apply for the renewal of my driving licence which is attached and particulars of which are as follows:-

.....

.....

(f) Date of Expiry of licence to drive.

(i) transport vehicle.

(ii) vehicles other than transport vehicles"

10. The Form-9 itself is an apt evidence to show that the applicant has requesting to renew his driving licence containing both TV and NTV validity simultaneously.

11. the above facts proved beyond any doubt that the argument of the audit is absolutely wrong and against the law.

## **V. Intention of the Law**

1. However, in academic spirit, we may examine the intention of the law:

a) In the MV Act 1939, validity of all the professional driving licence, whether it was NTV or TV, is 3 years.

b) In MV Act 1988, validity of TV continued as 3 years while NTV extended up to 20 years or up to 40 years.

c) In 1994, the Section was amended NTV licence can be issued for 20 years or up to 50 years of age or 5 years after attaining the age of 50 years.

d) From the gradual amendments, a common man can observe the intention of the law is to avoid frequent visits of a citizen to the Regional Transport Office for a mere renewal of driving licence, which he had obtained after the two stages of examinations.

e) Minimum period for an NTV licence is 5 years and the minimum period for a TV licence is 3 years.

f) If we instruct the holder to submit separate applications for renewing the TV validity, and NTV validity of licence, the applicant will have no time to do his own job, he would be forced to visit the office annually to file renewal applications for his licence, which would be a form of harassment Thereby intention of the Law will be defeated.

## VI. Case Study

**We examine some cases to understand what is actually happening**

No.	DOB	Date of issue	Type of Issue	TV validity	NTV validity
a	8-10-1980	15-10-2008	Fresh	14-10-2011 (3 yrs)	14-10-2028 (20 yrs)
b	5-1-1970	15-10-1991	Addition of TV on 15-10-2008	14-10-2011 (3 yrs)	14-10-2011 (20 yrs)
c	11-5-1959	11-5-2000	2 <sup>nd</sup> renewal on 11-5-2006	10-5-2009	10-5-2009 (upto 50 yrs)
d	10-5-1970	13-10-2005	Addition of TV on 15-10-2008	12-10-2008	21-1-2009

Four typical examples are shown above, we may analyse one by one.

(a) Fresh licence with two validity is issued on only one application from (Form-4) and only one fee as mentioned in Rule 32(3)

(b) Both the validities expire on the same day. We cannot insist two separate applications with separate fees for the renewal of NTV and TV validities when the holder applies for its renewal on 14-10-2011.

(c) Agreeing with the audit, we renewed TV alone for two times and now both validities will expire on the same date as in the previous case. We cannot insist separate fees when the holder arrives on 10-5-2009 for the renewal.

(d) (1) If the applicant submits the renewal application in time, according to the audit, we have to renew TV alone upto 12-10-2011 and wait for another application for NTV. Now we get TWO applications with TWO fees as suggested by the audit.

(a) After completion of all the processing in the office, the applicant may get back his Licence with INVALID NTV validity. It will be a very interesting scenario if the licence has an HPV(Heavy Passenger Vehicle). The licence holder can lawfully drive a heavy Passenger Vehicle but is not eligible to drive an LMV(Light Motor Vehicle). It may be noted that one year driving experience in LMV is the pre-requisite qualification for getting the HPV.

(2) If the applicant delays his application for two or three months then only one application along with only one fees is required for renewing both the validities. The audit itself has implicitly agreed that there is no need of two applications and two fees in such cases (please see(2) of para 1).

2. From the above four cases we can arrive that in the cases a, b, c and d(2) the department has to renew both the validities simultaneously on one application and one fees. Then it will be ridiculous to introduce such practice in case d(1) alone as stated in the audit.

3. Hence, public harassment, violation of Human Rights, misinterpretation of law every such practices will be involved in it and the image of the department will be under question.

4. This audit findings are something beyond the logic of a common man.

## **VII. The Dignity**

The Section 14((i)(b)) says that the NTV validity must be "(B) until the date on which such person attains the age of fifty years..."

As per this Law, if a gentleman passed the driving test, unfortunately on the previous day of his 50<sup>th</sup> Birthday he will get the Licence with NTV validity for that day only. But he achieved the test on the next day he will get five years validity (Section 14(B)(ii)).

This anomaly was traced out by our department and rectified by issuing the Circular 5/98, considering the fundamental rights of a citizen and without the fear of revenue loss, which can be gained due to an omission of Law. By the Circular, the Department reiterated its vision that a fee is prescribed and collected for giving a service to the public but not the service is fixed for getting fee.

**Considering all the above facts, it may kindly be seen that there is no revenue loss occurred in these cases and the Paragraph may kindly be Dropped.**

[Ref No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

### **Further Recommendation on Paragraph No.7**

The Committee was really agitated to see the reply of the Motor Vehicle Department demeaning AG's views, belittling his findings and questioning his analysis/assessment capability. Taking grave concern on such an offensive reply, the Committee decided to take evidence from the concerned department officials to seek an explanation for furnishing such a reply.

The Committee also observe that the official of Motor Vehicle Department are really apathetic to understand the spirit of the recommendation. Committee understands that computer system automatically renew the NTV licence when a person applies for TV renewal. The main concern of the Committee is the safety factor involved in such an automatic renewal since validity of NTV licence gets automatically extended without medical certificate and separate application. Extension of licence without medical certificate can be a threat to public safety. Committee is also of the view that it is not proper to extend the validity of the original NTV licence when an application for renewal of TV licence is submitted.

Therefore Committee decided to recommend to rectify the software error for renewal of licences such that the automatic renewal of non-transport vehicle licence occurring while renewing the transport vehicle licence is done away with and to inform the Committee the action taken in this regard without delay.

### **Action Taken**

It is submitted that Transport Vehicle (TV) is an additional endorsement over the Non Transport Vehicle (NTV) in a driving licence. If NTV is not valid TV also deemed to be considered as invalid. Therefore while renewal of driving licence

having both TV & NTV validity it was ascertained that if the NTV validity is covering the TV renewal period NTV will not be renewed. If the NTV validity expires before the TV renewal period, TV will not be renewed. Rule 32 of Central Motor Vehicle Rules (CMVR) prescribes renewal of driving licence. There is no provision in Kerala Motor Vehicle Rules (KMVR) to collect dual fee for renewal of driving licence. Law Department is being consulted for exploring the possibility of amending the statute.

With the implementation of "Sarathi" web application in the state during the year 2019, for Driving Licence related services, the above issue of irregular renewal of Driving Licence stands resolved. Since TV licence is renewed with medical certificate, it will not be a threat if NTV is also renewed.

[Ref No. B3/3398/2014-Trans, Dated 16-1-2024]

[Considered on 17-1-2024]

### **Recommendation**

[Sl. No. 3, Paragraph No.8]

While commenting on the audit objection regarding collection of licence fee at pre-revised rates, the Committee opines that the contention of the Transport Department that the objection had been dropped by Accountant General was not tenable since the objection still remains in the report of the Comptroller and Auditor General which was laid on the Table of the House. It insinuates the department to submit a detailed report on the same to the Committee at the earliest.

### **Action Taken**

<b>No. of cases</b>	<b>Amount Short levied( ₹ )</b>
87,212	43.61 lakh



Sl. No.	Name of Office	No. of cases	Amount	No. of cases collected	Amount collected ( ₹ )
1	RTO Palakkad	2724	136200	2724	136200
2	RTO Kottayam	2786	139300	399	19950
3	RTO Ernakulam	2717	135850	524	26200
4	RTO Thrissur	3127	156350	3059	152950
5	RTO Muvattupuzha (Full)	1677	83850	1677	83850
6	RTO Alappuzha	1263	63150	28	1400
7	RTO Vadakara	1737	86850	344	17200
8	SRTO Parassala (full)	490	24500	490	24500
9	SRTO Neyyattinkara (full)	1409	70450	1409	70450
10	SRTO Kazhakuttom	1185	59250	1050	52500
11	SRTO Tripunithura	1144	57200	539	26950
12	SRTO Changanassery	1174	58700	103	5150
13	SRTO Kanjirapally	927	46350	852	42600
14	SRTO Pala (full)	1371	68550	1371	68550

15	SRTO Ponnani (full)	812	40600	812	40600
16	SRTO Kanhangad (full)	1167	58350	1167	58350
17	SRTO Mavelikkara	1074	53700	639	31950
18	RTO Kozhikkode	3381	169050	328	164000
19	RTO Attingal	1912	95600	355	17750
20	SRTO Chengannur	928	46400	634	31700
21	RTO Kasargod	967	48350	812	40600
22	SRTO Mallappally (full)	684	34200	684	34200
23	SRTO Ottappalam	929	46450	929	46450
24	SRTO Kazhakkuttam (full)	1185	59250	1185	59250
25	SRTO Mavelikkara**	1024	53700	649	32450
26	SRTO IRINJALAKKUDA	2520	126000	2436	121800
27	SRTO Kothamangalam	879	43950	879	43950
28	SRTO Thalassery	2160	108000	1982	99100
29	SRTO Cherthala (full)	1479	73950	1479	73950
30	SRTO North Paravur	1726	86300	990	49500
31	SRTO Mattanchery (full)	1251	62550	1251	62550
32	SRTO Perumbavur	2946	147300	2946	147300

33	SRTO Mannarkkad	599	29950	580	29000
34	SRTO Tirur	2847	142350	1366	68300
35	SRTO Wadakkanchery	1109	55450	550	27500
36	Kollam	3582	179100	2852	142600

Abstract of updated progress of collection

Short Levy		Collected		Balance	
Amount in ₹	No. of cases	Amount in ₹	No. of cases	Amount in ₹	No. of cases
4360600	87212	2003700	40074	2365900	47138

**\*\*SRTO Mavelikkara – The LAR for the period 2007-2008 has been closed by the Accountant General vide letter no SRA(HQ)1/MVT/1/22-23/08/-09/384 dated 28-3-2012.**

SRTO Adoor – This para has been already settled by Accountant General vide letter no SRA(HQ)1/MVT-1/22-15-8-09/115,166 dated 5-6-2010 and again confirmed by the letter dated SRA(HQ)1/MVT-1/22-15-08-09-168 dated 15-6-2010.

SRTO North Paravur – The only way to collect the short collection of the fee is to demand the same at the time of renewal or submitting for other licence related services a large number of licences have not done any services after the audit period. Moreover a large area under the jurisdiction of SRTO North Paravur (Alangad panchayath and Eloor municipalities) have been attached with the jurisdiction of SRTO Aluva and hence the collection of remaining amount is seen to be a difficult task.

SRTO ADOOR:- This Para has been already settled by SRA(HQ)/MVT/1/22-15/08/09/115 dated 5-6-2016.

RTO Thrissur- The Para related to short levy of renewal fee in respect of driving licence was settled by Accountant General as per vide Letter no SRA(HQ)1/MVT/11/22-1/2008-2009/30 dated 10/06/2010.

**As per the report of the PAC 2011-14 in para 8, renewal fee in respect of 87,212 driving licences was collected at the pre-revised rates. The Transport Commissioner has reported that the short collection was due to the non receipt of the Government of India notification revising the fee for driving licence renewal. As per the present report, a sum of Rs. 20,03,700 has been collected from 40,074 cases. Thus, the total collection comes to the remaining amount. It will help in reducing the expenditure incurred for sending registered notices for collecting small amounts. Also, there is no provision for initiating revenue recovery for realising small amounts like 50 and like wise. Therefore, the default will be noted as objections against their licence numbers and will be collected as and when the licence holder approaches the office for any services or during vehicle checking.**

**Hence this para may be dropped. The short collection could be released as and when the licence holders approach the office for any service as well as during vehicle checking.**

[Ref No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

#### **Further Recommendation on Paragraph No.8**

The Committee understands the inability of Department in realising small amounts of arrear which arise because of short levy of renewal of licence fee at pre-revised rates. Therefore Committee decided to recommend that the arrear amount due should be recorded against the licence holder and should be realised as and when the licence holder approach the MTV department for any service or vehicle checking.

**Action Taken**

During 2011-14 as against a short collection of licence fee at pre-revised rates an amount of Rs.20,03,700 in 40074 cases were made good. In the remaining cases, the arrear amount due have been entered as objection against the Licence holder and will be realized as and when they apply for any Driving Licence related services.

[Ref No. B3/3398/2014-Trans, Dated 16-1-2024]

[Considered on 17-1-2024]

**Recommendation**

[Sl No. 4, Paragraph No. 14]

The committee expresses its displeasure towards the approach of the Transport Department on revenue collection in the case of vehicles for personal use owned by firms as private service vehicles under non-transport group. The Committee warns the department to take necessary steps to obtain clarification from Government of India on whether all vehicles registered as 'Omni Bus for Private Use' need to be re-classified as transport vehicle or not. The matter should be reported to the Committee after clarification was sought.

**Action Taken**

On a random checking in some RT/Sub RT offices, the Local Audit Team noticed that even after the notification SO No. 1248/E dated 5-11-2004, so many omni buses were registered as Private Service Vehicle for personal use and the omnibus registered before 5-11-2004 were permitted to continue as Non Transport Vehicle (NTV) category without being reclassified as Transport Vehicle. The Audit party observed that these vehicles ought to be included in the category of Transport Vehicle in compliance of the notification SO No. 1248 (E)/2004 dated 5/11/2004. Had these vehicles been classified or reclassified as Transport vehicle, permit fee at the rate of Rs. 500 and CF fee at the rate of Rs. 300 from each vehicle would have been realized. In the above circumstances, the department offers the following remarks.

As per section 2 (29) of the Motor Vehicles Act, 'omnibus' means any motor vehicle constructed or adapted to carry more than six persons excluding driver. Private service vehicle as defined in section 2(33) of the Motor Vehicle Act as a motor vehicle constructed or adapted to carry more than six persons excluding the driver and ordinarily used by or on behalf of the owner for the purpose of carrying persons for in connection with the trade or business otherwise than for hire or reward but does not include a motor vehicle and used for public purposes. As per section 2(47), transport vehicle means a public service vehicle, a goods carriage or an educational institution bus or a private service vehicle.

From the above definitions, it is obvious that omni bus is a vehicle constructed or adapted to carry more than seven persons including the driver. It is not a transport vehicle as per Section 2(47) of the Act.

The basic characteristic of an omni bus is that it is constructed or adapted to carry more than 7 persons. Omni bus can be categorized as either Private Service vehicle for personal use which is included in the NTV category or private service vehicle, educational institution buses, contract carriage etc which are included in the category of Transport Vehicles on the basis of the nature of use of the vehicle. Hence omnibuses cannot stand alone. (No vehicle in Kerala is registered as omnibus. Instead omni buses are categorized as any of the classes of vehicle mentioned above according to the nature and use of the vehicle. Besides, private service vehicle (Transport), educational institution buses, contract carriages, all of which belong to omnibus, are included in the Transport Vehicle category)

The audit team relies on the Notification No SO 1248(E)/2004 dtd 5-11-2004 wherein omni bus has been classified as Transport Vehicle contrary to the provisions of Section 2(47) and section 41(4) of the Act. Notification No. SO 451(E) dated 19-6-1992 had classified omnibus for private use as a non-transport vehicle taking into consideration the nature of use of the vehicle.

The Central Government have not taken into account the nature of use of the omnibus while classifying it as a transport vehicle. Omnibus cannot be classified as a transport vehicle unless and until it is brought under the provisions of section 2(47) of the Act. Central Government knew well that omnibus may be either a transport vehicle or a non-transport vehicle. The explanation in the said notification suggests that owing to the enormity of omnibus on road Government thought it fit to bring omnibus under the purview of fitness regime. Mere specification of the type of vehicle as provided in Section 41 (4) would not help to achieve this objective unless and until section 2 (47) is amended to that effect.

The said notification does not envisage that the use of an omnibus shall be authorized by a permit under section 66(1) of the Act. Section 66(4) contemplates exemption from permit for all omnibuses having carrying capacity (seating capacity) 8 to 10. In the case of omnibus with carrying capacity (seating capacity) of more than 10, it is left to the discretion of the Government to prescribe rules insisting on the necessity of permit under section 66(1). Accordingly, State Government have prescribed Rule 117 requiring omnibus having seating capacity more than 10 (except omnibus for private use) to have a permit issued under the Act. Therefore, it is clear that omnibus is not a transport vehicle as per section 2 (47). Omnibus for public use, if any, with a seating capacity exceeding 10 in all alone needs to satisfy the requirement of permit. Moreover there are no provisions in the Act or rules which direct to demand application for permit, grant of permit and fee from an omnibus. There are no specific permit conditions prescribed for omnibus also. The audit party fails to verify the above provisions of the Motor Vehicles Act.

It may also be noted that in our neighbouring state like Tamil Nadu, Karnataka and Andhra Pradesh, omnibus are categorized in the category of Non Transport Vehicle if it is registered in the name of an individual and solely used for his personal purpose.

In the above circumstances, the finding of audit party that omnibus would have been classified or reclassified as transport vehicle even if it is registered in the name of an individual and used for his personal purpose may be set aside and the para may be dropped.

[Ref No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

### **Recommendation**

[Sl. No. 5, Paragraph No.15]

The Committee is also dissatisfied over the poor collection rate of revenue and opines that the department could collect only 1.57 lakh out of 7.47 lakh even after a span of 3 years towards the loss occurred due to the misclassification of vehicle owned by a firm under non transport vehicle. The Committee also suggests to intimate the details regarding the pending revenue collection, latest position of the cases and also number of cases in which R.R. proceedings has not been initiated.

### **Action Taken**

Sl. No.	Name of Office	No. of cases	Amount in ₹	Para No.
2007-08				
1.	RTO Attingal	1	51070	IIA-X
2.	Kottayam	11	176982	IIA-XII
3.	Kozhikode	1	56816	IIA-XI
4.	Palakkad	1	9560	IIB-II
5.	SRTO Mannarkad	4	63338	IIA-II
6.	Pattambi	1	11720	IIB-I



2006-07				
7.	RTO Ernakulam	48	28800	IIA-II
8.	Kannur	28	16800	IIB-II
9.	Kottarakara	25	15000	IIB-II
10.	Pathanamthitta	7	3900	IIB-II
11.	Thrissur	9	5400	IIB-I
12.	Wayanad			
13.	SRTTO Perumbavur	20	12000	IIB-I
14.	Tiruvalla	11	6600	IIB-II
2005-06				
15.	RTO Palakkad	4	61350	IIA-III
	<b>TOTAL</b>	<b>42</b>	<b>7,47,494</b>	

### RTO Attingal

**An amount of Rs. 28215/- was collected. The Vehicle was altered as PSV vehicle wef 20-1-2012 and permit has been issued up to 22-4-2017. Tax endorsement had been issued and remitted balance tax at PSV rate up to 31-12-2015 of Rs. 28215/- as per TL No 16/15475/2015 Dated 25-6-2015 now the balance tax is collected up to QE 31-12-2016.**

**Hence Short collection has been rectified.**

### **RTO Kottayam**

Revenue recovery is in progress.

\*RTO Kozhikode: Necessary direction has already been issued to the registered owner of omni bus with regn no. KL-11-AA-7687. In response to the said direction, the registered owner of the vehicle stated that

(1) the vehicle is registered in the name of Commanding Officer, Coast Guard Station, Beypore as stipulated in the departmental rules and authorized by the competent authority concerned. The vehicle being a Government property, registration of the vehicle in the name of an individual will be in contravention to the regulations as well as the terms of Supply of Government asset to the unit.

(2) It is further submitted that the vehicle is strictly utilized for bonafide official use like conveying Commanding Officer troops in relation to the mandated charter of enforcement of law at sea and ensuring Coastal security along the Malabar Coastal region of Kerala.

And also requested that the vehicle in the name of Commanding Officer, Indian Coast Guard (Ministry of Defence) service, Beypore may be retained and payment of registration fees and road tax as applicable for the vehicle may be exempted in similar lines, the facility extended to Central Police Forces and Military Services.

In the light of the above explanations, this para may be Dropped. Amount not due is 56,816 in 1 case.

### **RTO Palakkad**

Revenue recovery is in progress.

#### **\*Joint RTO Mannarkad**

The vehicle KL-09-E-5089 is owned by the Government of Kerala (Taxes Department). Tax exempted under section 22 of Kerala Motor Vehicles Taxation Act. All the above 3 vehicles were altered as PSV. Permit and Fitness certificate were issued. Hence no short collection. Amount due is 3,733 in 1 case.

**Joint RTO Pattambi**: The vehicle KL-9-L-1377 altered as Private service vehicle w.e.f. 23-4-2009 and short collection of tax 13,020 collected vide TL No.52/6764/2009 dated 23-4-2009 and CF fees of 840 was collected vide receipt no. 52/12398/2009 dated 20-4-2009.

**RTO Ernakulam**

Revenue recovery is in progress.

**RTO Kannur:**

KL-13-C-602: Validity of certificate of fitness reduced up to 4-1-2008 on 23-11-2007. Hence no short collection.

KL-13-A-6852: Certificate of fitness obtained from 11-4-2007 to 10-4-2008. Hence no short collection.

KL-13-A-7332: Certificate of fitness from 4-10-2007 to 3-10-2008 on 4-10-2007. Hence no short collection.

KL-13-G-9152: Vehicle sold on 24-1-2004. Hence no short collection.

Amount not due in 4 cases. 8 cases under revenue recovery.

**Joint RTO Kottarakara:**

Revenue recovery is in progress.

**RTO Pathanamthitta:**

Full amount collected.

**RTO Thrissur:**

Revenue recovery is in progress.

**RTO Wayanad:**

Revenue recovery is in progress.

**Joint RTO Perumbavur:**

Revenue recovery is in progress.

**Joint RTO Thiruvalla:**

Revenue recovery is in progress.

Already collected: 1.51 lakh from 11 vehicles.

Now collected: 1,15,180 from 17 vehicles.

**Abstract of updated progress of collection**

Short levy		Collected		Balance	
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
4,62,520	170	2,66,180	28	1,96,340	142

[Ref. No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

**Recommendation**

[Sl. No. 6, Paragraph No. 17]

The Committee notices that only 9 lakh out of 25 lakh had been realised towards short levy of tax and it directs the department to take necessary steps to realize the tax due from stage carriages and to furnish a detailed report regarding the latest position of the pending cases.

**Action Taken**

Sl. No.	Name of office	No. of cases	Amount (₹)
2007-08			
1.	RTO Attingal	2	17,830
2.	Idukki	8	1,11,400
3.	Kannur	8	1,00,000

4.	Kottayam	15	1,84,430
5.	Kozhikode	5	59,280
6.	Palakkad	6	39,500
7.	Vadakara	7	81,400

\*RTO Palakkad reported that KL-09-M-8987 (5700) is a motor cycle and hence no revenue loss. **Amount not due in 1 case of 5,700**

**2006-07**

8.	RTO Alappuzha	28	3,54,500
9.	Ernakulam	14	1,26,280
10.	Kannur	21	3,16,370
11.	Kottayam	6	68,700
12.	Kozhikode	11	83,540
13.	Pathanamthitta	9	1,15,620
<b>TOTAL</b>		<b>140</b>	<b>16,58,850</b>

Sl. No.	Name of office	No. of cases	Amount (₹)
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**2007-08**

1.	RTO Attingal	1	23,490
2.	Idukki	3	40,260
3.	Kannur	14	2,00,000

4.	Kottayam	8	96,760
5.	Thiruvananthapuram	1	8,000
6.	Vadakara	6	71,580

2006-07

7.	RTO Alappuzha	12	3,54,500
8.	Ernakulam	12	1,26,280
9.	Kannur	7	3,16,370
10.	Kozhikode	4	83,540
Total		68	8,93,700
<b>Grand Total</b>		<b>208</b>	<b>25,52,550</b>

Already Collected: 9,78,000 in 61 cases

Now Collected : 3,62,880 in 35 cases

Total : 12,86,150 in 96 cases.

### Abstract of updated progress of collection

Short levy	Collected	Balance			
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
25,52,550	208	12,86,150	96	12,66,400	112

[Ref. No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

### Recommendation

[Sl. No. 7, Paragraph No. 20]

Towards the non/short levy of one time tax, the Committee urges the department to forward a detailed break up report regarding the number of R.R. cases where action was not initiated, number of cases where no action was taken from the part of the District Collector, cases pending before the court and stayed by different authorities. The Committee also recommends to take stringent action against those officials who failed to initiate R.R. action.

### Action Taken

#### Non/short levy of onetime tax

Sl. No.	Name of office	No. of cases	Amount (Rs.)	Collected	
				No. of cases	Amount (₹)
1.	RTO Alappuzha	135	1,11,404	133	1,15,358
2.	Attingal	141	1,18,799	103	86,374
3.	Ernakulam	11	11,255	Revenue recovery is in progress	
4.	Kannur	180	1,25,361		
5.	Kollam	28	59,622		
6.	Kottayam	37	49,037		
7.	Kozhikode	69	74,239	63	64,539
8.	Malappuram	16	9,074	Revenue recovery is in progress	

9.	Palakkad	106	86,141	83	65,102
10.	Thrissur	34	18,922	34	18,922
11.	Thiruvananthapuram	23	22,410	Revenue recovery is in progress	
12.	Vadakara	21	20,913		
13.	SRTO Aluva	17	6,610		
14.	Changanassery	18	12,712		
15.	Chengannur	#135	17,782	16	17,782
16.	Cherthala	10	8,535	Revenue recovery is in progress	
17.	Guruvayur	16	14,969		
18.	Irinjalakuda	84	45,648		
19.	Kanjirapally	42	49,493		
20.	Karunagapally	10	18,169	10	18,169
21.	Kazhakuttom	49	49,900	49	49,900
22.	Kodungallur	35	25,514	35	25,514
23.	Koduvally	127	95,638	Revenue recovery is in progress	
24.	Kothamangalam	13	5,508		
25.	Kottarakara	53	20,498	51	19,240
26.	Koyilandy	27	24,977	27	25,062



27.	Mallapally	4	5,115	Revenue recovery is in progress	
28.	Mattanchery	19	21,392		
29.	Mavelikkara	33	29,862		
30.	North Parur	13	8,097		
31.	Neyyattinkara*	45	37,105	31	23,075
32.	Ottapalam	27	15,650	Revenue recovery is in progress	
33.	Pala	34	32,367		
34.	Parassala	41	42,215		
35.	Perumbavur	84	76,546		
36.	Punalur	15	14,657	14	13,999
37.	Thalassery	3	13,847	3	15,160
38.	Thaliparamba	87	2,15,206	Revenue recovery is in progress	
39.	Thodupuzha	178	1,50,190		
40.	Thripunithura	37	82,145		
41.	Vaikom	53	50,615		
42.	Vandiperiyar	45	32,860		
43.	Wadakkanchery	24	11,931		
<b>TOTAL</b>		<b>2179</b>	<b>1942930</b>		

#Joint RTO Chengannur reported that there are only 16 cases instead of 135 cases as reported in the AG's annexure.

\*Joint RTO Neyyattinkara reported that the vehicle with regn. No. KL-20-7337 is a Motor cycle. Hence no revenue loss was occurred.

Short levy		Collected		Balance	
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
	2179	652	558813		

Short levy of one time tax due to collection of tax on ULW basis

Sl. No.	Name of office	No. of cases	Amount (₹)	Collected	
				No. of cases	Amount (₹)
1.	RTO Attingal	5	61,777	4	61,378
2.	Kasargode	2	15,120	Revenue recovery is in progress	
3.	Kottayam	4	40,285		
4.	SRTO Karunagapally	5	2,520	5	2,520
5.	Kottarakara	5	5,766	5	5,766

6.	North Parur	2	87,521	Revenue recovery is in progress	
7.	Punalur	6	6,182		
8.	Thripunithura	1	23,212		
	<b>TOTAL</b>	<b>30</b>	<b>2,42,383</b>	<b>14</b>	<b>69,664</b>

Out of ₹ 2.42 lakh in 30 cases, **1 lakh was collected from eight cases.**

Abstract of updated progress of collection

Short levy		Collected		Balance	
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
2,42,383	30	69,664	14	1,72,719	16

Non levy of additional tax consequent on alteration of motor cars

Sl. No.	Name of office	No. of cases	Amount ₹	Collected No. of cases	Amount ₹
<b>2007-08</b>					
1.	RTO Alappuzha	7	33,600	7	33,600
2.	Attingal	4	19,200	2	9,600

3.	Kasargode	19	91,200	Revenue recovery is in progress	
4.	Malappuram	31	1,48,800		
5.	Palakkad	4	19,200	2	9,600
6.	Thrissur	23	1,10,400	23	1,10,400
7.	SRTO Chengannur	3	14,400	3	14,400
8.	Cherthala	19	91,200	Revenue recovery is in progress	
9.	Irinjalakuda	7	33,600		
10.	Kanhangad*	10	48,000	9	43,200
11.	Kayamkulam	3	14,000		
12.	Kodungallur*	3	14,400	2	7,400
13.	Mavelikara	8	38,400		
14.	Perinthalmanna	3	14,400	3	14,400
15.	Wadakanchery	5	24,000	Revenue recovery is in progress	
<b>TOTAL</b>		149	7,14,800	49	2,35,200

2006-07

17.	RTO Kannur	3	14,400	Revenue recovery is in progress	
18.	Malappuram	16	76,800		
19.	Palakkad	14	67,200	14	67,200

20.	Thiruvananthapuram	6	28,800	Revenue recovery is in progress	
21.	SRTO Aluva	6	28,800		
22.	Irinjalakuda	23	1,10,400		
23.	Kanhangad	4	19,200	4	19,200
24.	Koduvally	2	9,600	Revenue recovery is in progress	
25.	Mannarkad	11	52,800	11	52,800
26.	Thalassery	9	43,200	9	43,200
27.	Thripunithura	11	52,800	Revenue recovery is in progress	
28.	Tirur	42	2,01,600		
29.	Wadakkanchery	16	76,800		
<b>TOTAL</b>		163	7,82,400	38	1,82,400

2005-06

30.	SRTO Pattambi	5	24,000	Revenue recovery is in progress	
<b>TOTAL</b>		<b>317</b>	<b>15,21,200</b>	<b>87</b>	<b>4,17,600</b>

\*Joint RTO Kanhangad reported that for the vehicle KL-60-4637, the Unladen weight was 725 kg before the alteration and 740 kg after alteration. Hence no short collection.

\*Jt. RTO Kodungallur reported that KL07 AB 4856 is not seen included in SRT0 Kodungallur. The date of alteration of Vehicle KL 07 Y 160 is on 16-10-2007 and hence the tax at higher rate is applicable wef. 16-10-2007.

Out of 15,21,200 in 317 vehicles, **4.25 lakh was collected from 86 cases** in 2009 itself.

Abstract of updated progress of collection

Short levy		Collected		Balance	
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
15,21,200	317	4,17,600	87	11,03,600	230

Non levy of onetime tax on percentage basis

1. Vehicles registered on other states on or after 1-4-2007 and migrated to Kerala State

Sl. No.	Name of office	No. of cases	Amount (₹)	Collected	
				No. of cases	Amount (₹)
1.	RTO Kottayam	5	62,909	Revenue recovery is in progress	
2.	Kozhikode	6	49,061	6	49,061
3.	Malappuram	3	23,481	Revenue recovery is in progress	
4.	Palakkad	2	5,186	2	5,186
5.	Thrissur	2	4,645	2	
6.	SRT0 Kanhangad	2	16,205	2	
7.	Thaliparamba	1	58,210	Revenue recovery is in progress	
<b>TOTAL</b>		<b>21</b>	<b>2,19,697</b>	<b>12</b>	<b>75,097</b>

II. Vehicles registered on or after 1-4-2007 and re-classified from the category of  
Transport

Sl. No.	Name of office	No. of cases	Amount (₹)	Collected	
				No. of cases	Amount (₹)
1.	RTO Alappuzha	2	40,009	2	40,591
2.	Kasargode	1	13,263	Revenue recovery is in progress	
3.	Kozhikode	1	6,696	1	6,696
4.	Palakkad	1	21,135	1	21,135
5.	Thrissur	1	40,065	1	40,065
6.	SRTTO Karunagapally	1	50,358	1	
7.	Koduvally	1	9,149		
8.	Mavelikkara	1	9,243		
9.	Perumbavur	1	15,040		
10.	Thripunithura	2	36,279		
11.	Tirur	1	13,023		
	<b>TOTAL</b>	<b>13</b>	<b>2,54,300</b>	<b>6</b>	<b>1,58,845</b>

Out of ₹4.74 lakhs in 34 cases, ₹1.23 lakh was collected from 11 cases in 2009 itself.

Abstract of updated progress of collection

Short levy		Collected		Balance	
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
4,73,997	34	2,33,942	18	2,40,055	16

[Ref. No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

Recommendation

[Sl. No. 8, Paragraph No. 24]

The Committee is despondent towards the trashy attitude of the department in collecting the arrears towards motor vehicles tax at the revised rate as the department had collected only a small percentage of the same. The Committee also exhorts the department to provide break up details of the present position of the cases pointed out by the Accountant General, number of pending cases and the amount pending to be collected. The Committee directs the department to furnish the details of non-recoverable amount, if any, and the reason thereof at the earliest.

**Action Taken**Loss of revenue due to non implementation of revised rates

Sl. No.	Name of office	No. of cases	Amount (₹)	No. of cases	Amount (₹)
(1)	(2)	(3)	(4)	(5)	(6)
1.	RTO Alappuzha	99	15,388		
2.	Attingal	72	23,360	56	17,520
3.	Ernakulam	225	47,960		
4.	Kannur	38	36,630		
5.	Kasargode	48	35,435		



(1)	(2)	(3)	(4)	(5)	(6)
6.	Kottayam	144	56,999		
7.	Kozhikode	269	63,231	157	39,341
8.	Malappuram	204	56,490	92	25,360
9.	Muvattupuzha (Fully collected)	61	7,620	61	7,620
10.	Palakkad	227	76,130	Revenue recovery is in progress	
11.	Thiruvananthapuram	108	1,06,080		
12.	Thrissur	680	1,26,390	331	63,620
13.	SRTO Kodungallur	61	8,600	Revenue recovery is in progress	
14.	Alathur	26	8,480		
15.	Changanassery*	20	20,814	16*	26,050
16.	Chengannur (Fully collected)	33	7,080	33	7,080
17.	Cherthala	97	12,270	Revenue recovery is in progress	
18.	Guruvayur	59	14,800		
19.	Irinjalakuda	87	15,440		
20.	Kanjirapally	12	7,500		
21.	Koduvally	16	8,890		
22.	Kottarakara (fully collected)	13	2,840	13	2,840
23.	Mattanchery	10	6,250	8	5,710

24.	Mavelikara**	72	9,430		
25.	Pala	79	29,203		
26.	Ponnani*	72	6,040	42*	6,040
27.	Punalur (full)	34	7,320	34	7,320
28.	Thaliparamba*	16	4,595	15*	4,845
29.	Tirur(full)	43	9,800	43	9,800
30.	Wadakanchery	89	13,530	Revenue recovery is in progress	
	<b>TOTAL</b>	2984	8,44,595	760	1,82,796

RTO Trissur reported that this para has been already settled by Accountant General as per vide letter No. SRA(HQ)1/MVT/11/22-1/2008-09/30 dated 1-6-2010

\*Joint RTO Changanassery reported as follows:

As per the office system software backlog, the vehicle KL-05-W-8185 neither registered nor remitted any tax in this office.

\*IRTO Ponnani reported as follows: Instead of 72 cases, there was only 42 cases in which full collection for an amount of ₹6040 had been achieved. As per Vide letter No SRA(HQ)1/MVT-II/22-15/09-10/226 dated 04/10/2010, this para is already settled by Accountant General.

\*Joint RTO, Thaliparamba reported as follows: In remaining one case, ie, KL-13-E-2446, clearance certificate had issued prior to AG audit inspection on 27-6-2007.

SRTO MATTANCHERY reported that out of 10 vehicles pointed out by Accountant General, KL 07 AT 876 & KL 07 AS 225 are Motor cycle and there is no dues pending with this para

Actual No of cases: 2984 –30 = 2954 cases.

**\*\*SRTO Mavelikkara reported that The LAR for the period 2007-2008 has been closed by the Accountant General vide letter No. SRA(HQ)1/MVT/1/22-23/08/-09/384 dated 28-3-2012.**

### **Abstract of updated progress of collection**

Short levy		Collected		Balance	
Amount in (₹)	No. of cases	Amount in (₹)	No. of cases	Amount in (₹)	No. of cases
8,44,595	2954	1,82,796	760	6,61,799	2194

Short levy of composite tax Belated remittance of difference to composite tax-non levy of additional tax ₹ 6.74 lakh

The Secretaries of State Transport Authorities of concerned states were addressed vide this office reference No. D3/3927/STA/2008 dated 22-5-2008, 29-10-2014 and 22-11-2014 and requested to collect the balance tax from the vehicle owners at the earliest. The Secretaries of State Transport Authorities of concerned states have been reminded several times. A meeting of Transport Secretaries and Transport Commissioners was called and discussed the matter and decided to expedite action in all pending cases. No further collection is received.

### Short levy of additional tax for belated payment

Sl. No.	Name of office	No. of cases	Amount (₹)	No. of cases	Amount (₹)
2007-08					
1.	RTO Kottayam	503	1,51,335	Revenue recovery is in progress	
2.	RTO Palakkad	2	23,554		

2006-07				
3.	RTO Ernakulam	14	20,375	Revenue recovery is in progress
4.	RTO Kannur	5	10,488	
5.	RTO Palakkad	11	54,600	
	<b>TOTAL</b>	<b>535</b>	<b>2,60,352</b>	

[Ref .No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

### **Recommendation**

[Sl. No. 9, Paragraph No. 35]

The Committee is dissatisfied with the contention of the department that there occurs practical difficulties in offloading and storing the offloaded materials and hence check reports are being sent to concerned RTOs for taking necessary action. The Committee feels that sending check report to the concerned RTOs without knowing the address of the vehicle owner is ridiculous. The Committee recommends that the department should strictly adhere to the law and should levy the fine as specified in the Act. The Committee stresses the need for registering case if the vehicles is found overloaded and suggests to cancel the permit of those vehicles. The Committee also recommends to furnish a detailed report regarding the steps taken by the department to restrict the passage of overloaded vehicle plying in our state.

### **Action Taken**

55 overloaded vehicles of other States/Union Territories resulted in non-levy of minimum fine of Rs.5.55 lakh

### **Remedial Action Taken**

As per Section 194(1) of Motor Vehicles Act, whoever drives a motor vehicle or causes or allows a motor vehicle to be driven in contravention of the provisions of section 113 or section 114 or section 115 shall be punishable with minimum fine

of two thousand rupees and an additional amount of one thousand rupees per tonne of excess load, together with the liability to pay charges for off-loading of the excess load. As per Section 194(2) of the said Act, any driver of a vehicle who refuses to stop and submit his vehicle to weighing after being directed to do so by an officer authorized in this behalf under section 114 or removes or causes the removal of the load or part of it prior to weighing shall be punishable with fine which may extend to three thousand rupees. It may be noted that Section 194 is one of the penal provisions in Chapter XIII of the Act.

The penal provision is cognizable by a competent authority and the competent authority is the court. Even though offenses including Section 194 can be compounded as per Section 200, willingness of the accused is necessary for compounding the offence. If it is not compounded under Section 200, the penal provision under section 194 can be exercised only by a competent judicial officer in accordance with the procedures laid down in the Code of Criminal Procedure. In such cases, the departmental action against such offence can only be taken under rule 186 of KMV Rule read with section 86 of Motor Vehicles Act.

On receipt of check reports which are not compounded u/s 200(1) of Motor Vehicles Act, Regional Transport Officers are taking action as per rule 186 KMV Rule read with Section 86 of Motor Vehicles Act for the vehicles belongs to Kerala State. The check reports pertaining to other state vehicles are used to forward the respective registering authorities of the concerned state for initiating action u/s 86 of Motor Vehicles Act. The vise versa action are also taking for the Kerala Vehicles having check report issued by other states officers.

The Hon'ble High Court in judgment in WP (C) No. 11561/2010(u) has ordered against the forceful compounding as per Section 194. Check report mentioned in the Audit Report have been forwarded to concerned states for proceeding action against the permit holders under section 86 of Motor Vehicles by the permit issuing Authority. It may be noted that it is not possible to collect compounding fee for the offence u/s 194 of Motor Vehicles Act in all the time as willingness from the party is mandatory for compounding the offence u/s 200(1) of Motor Vehicles Act. However, an amount of ₹5000 was collected vide TL. No. 9/42283/09 dt. 28-5-9 in respect of vehicle TN-46/E 9799.

**Irregular exemption of tax to vehicle of Public Sector  
Undertaking/Autonomous bodies.**

Remedial Action Taken

As per SRO. 878/75(1) All motor vehicle owned by or on behalf of the Government of Kerala except vehicles owned by commercial or quasi commercial Departments of the Government are exempted from payment of tax.

- (iii) KL-01/AP 1125 – owned by Executive Director, Kudumbasree
- (iv) KL-01/AP 88 – Secretary, Kerala Human Rights Commission, Kerala
- (v) KL-01/AP 1641 – Secretary, IMG, Thiruvananthapuram
- (vi) KL-01/AQ 1037 – Secretary, Kerala State Sports Council
- (vii) KL-01/AM 4600 –The Project Director, Kerala State Transport Project.
- (viii) KL-01/AP 8012 – Remitted 32,380 vide TL No. 14076/09 dated 1-4-09.

No. of cases (as in Accountant General's annexure)	Short levy of tax/fees (₹)	Details of collection till date		Details of pending collection till date	
		No.of Cases	Amount (₹)	No.of Cases	Amount (₹)
12	3,29,000	1	32,380	11	2,96,620

All this may be kindly accepted and further action may be dropped.

[Ref. No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

**Further Recommendation on Paragraph No. 35**

The Committee observes that overloaded vehicles plying in the State are a real threat to road safety.

Therefore the Committee directed that the department should take strict measures to make sure that overloaded vehicles are detained and off-loaded and stringent action may be taken not to repeat such faults in future.

### **Action Taken**

Motor Vehicles department are taking stringent action against overloading of Vehicles and levying fines as stipulated in law. Also the law stipulates that the excess load shall be offloaded at the place where the excess load is detected. But the lack of suitable yards alongside the highways to detain the overloaded vehicles and offloading the excess load are the main problems the department is facing while taking action against overloaded vehicles. The Road Safety Commissioner vide D.O. Letter No. A2/KRSA/219/ 2023 dated: 7-6-2023, have requested the District Collectors to identify yards to keep the detained vehicles. Further action from the part of District Collectors are awaited.

[Ref. No. B3/3398/2014-Trans, Dated 16-1-2024]

[Considered on 17-1-2024]

### **Recommendation**

[Sl. No. 10, Paragraph No. 36]

The Committee also suggests to levy entry tax for vehicles plying in our state without National permit. Further, the committee directs the department to furnish the breakup details of the number of interstate dispute cases to be settled, number of cases pending before the court and details of cases reported by the District Collector as non-recoverable and the reason thereof before the committee.

### **Action Taken**

The Regional Transport Authorities of other states issue Temporary permits to their respective State Goods vehicles to ply in the State of Kerala, after collecting tax due to Kerala in the form of Demand Draft and forward the same to the Secretary, State Transport Authority, Kerala. The delay in sending Demand Drafts resulted in revalidation and revenue loss to Government Exchequers. This matter has been brought to the notice of the respective State Transport Authorities with request to send the Demand Drafts in time to avoid delay in crediting Demand Drafts to Government Account.

As far as Interstate Contract Carriages are concerned, the State of Karnataka is collecting one year tax from Kerala State vehicles where as the State of Kerala is collecting quarterly tax from Karnataka State vehicles. This has resulted in great hardships to Kerala Tour operators and they are forced to register the Contract Carriages in Karnataka. This matter had been taken up with Karnataka Government but no fruitful decision received from them. Hence the Government of Kerala enhance the rate of tax of Interstate Contract Carriages registered in other states to ply in this State vide Finance Act, 2014. But, the Tour Operators of Karnataka filed several litigations (WP©No.7490/2014 connected cases) before the Hon'ble High Court of Kerala and the Court stayed the levy of enhance rate of tax from other state contract carriages, indefinitely subject to the outcome of the WP(C)s.

WP©7490/2014 and other Writ petitions were dismissed vide order of the Hon'ble High Court in its judgement dated, 21-12-2016 stating that "in a taxing statute, intention of the Government is not material and one cannot treat the impugned clauses as a discrimination, warranting interference by this court." At present there are no interstate dispute cases pending regarding this para.

The above facts may be accepted and further action in this para may kindly be dropped.

[Ref. No. Report(RS)/PAC/34/2011-14, Dated 25-3-2022]

[Considered on 6-10-2022]

### **Recommendation**

[Sl. No. 11, Paragraph No. 37]

The Committee feels the need for providing weighing machine in every check posts, otherwise it will be difficult to assess whether the laden weight exceed the gross weight specified in the certificate of registration or not. Hence the Committee recommends the department to take appropriate steps to install weighing machine in every check posts.



### **Action Taken**

The Department has 19 check posts throughout the state out of which the department has land only at Aryankavu (Kollam), Gopalapuram (Palakkad) and Perla (Kasargod). For installing weigh bridge, it is necessary to have own land. The Check posts at Amaravila and Walayar are integrated check posts under Taxes Department. During the financial year 2013-14, sanction was accorded for installing pitless weigh bridges at Aryankavu, Gopalapuram and Manjeswaram. Based on this, the same three pitless weigh bridges were purchased and installed at Aryankavu and Manjeswaram. The weigh bridge procured for Gopalapuram checkpost was shifted to Walayar as no space was available at Gopalapuram to install pitless type of weigh bridge. The tender process for procuring “pit type” weigh bridge for Gopalapuram is in final stage. Weigh bridges can be installed at remaining checkposts only if department has own land at suitable location in the checkposts.

[Ref. No. Report(RS)/PAC/34/2011-14/84, Dated 23-7-2019]

[Considered on 1-7-2020]

### **Recommendation**

[Sl. No. 12, Paragraph No. 38]

The Committee concludes its analysis with the comment that even though the Committee urges the department to furnish several details relating to various audit paras pertaining to Transport department, it is not complied with till date, it reminds that the Public Accounts Committee is Constituted for ensuring the accountability of executive to Legislature. But the very act of the Transport Department in not complying with the direction of the Committee is contemptuous to the whole democratic system. It reprehends the officials of the Transport Department for the negligence and directs to furnish explanation for the lapse within one month positively.

**Action Taken**

The details relating to various audit paras are being collected from various unit offices/sub offices of Motor Vehicles Department. The collection of compounding fee in those audit paras could not be done within the stipulated time because such collection is not possible through Revenue Recovery proceedings. The only alternative is the prosecution for which action shall be taken by the Motor Vehicles Department officials within the period of limitations. Also, there are court orders banning the coercive collection of compounding fee. Moreover, adalaths are also being conducted by Motor Vehicles Department for collecting audit related reports containing short levy of tax, fee etc.

Therefore, the Committee may be informed that there is no willful delay or negligence in answering to the Audit Paras/Committee recommendations pertaining to Transport Department, but only due to administrative reasons in scrutinizing and finalizing the Statement of Action Taken (SOAT) based on the reports received from the Transport Commissioner, since the same has to be revised many times with updated/modified replies received from the Transport Commissioner.

[Ref. No. Report(RS)/PAC/34/2011-14/597, Dated 24-7-2018]

[Considered on 21-11-2018]

Thiruvananthapuram  
12<sup>th</sup> March 2025.

SUNNY JOSEPH  
*Chairperson*  
*Committee on Public Accounts*

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