

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY
COMMITTEE
ON
PUBLIC ACCOUNTS
(2023-26)

EIGHTY FIFTH REPORT
(Presented on 18th September, 2025)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM

2025

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

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

EIGHTY FIFTH REPORT

on

**Action Taken by Government on the Recommendations
contained in the One Thirty Fifth Report
of the Committee on Public Accounts (2008-11)**

CONTENTS

Page

Composition of the Committee :

Introduction :

Report :

Appendices:

Summary of Main Conclusion/Recommendation

COMMITTEE ON PUBLIC ACCOUNTS
(2023-2026)
COMPOSITION

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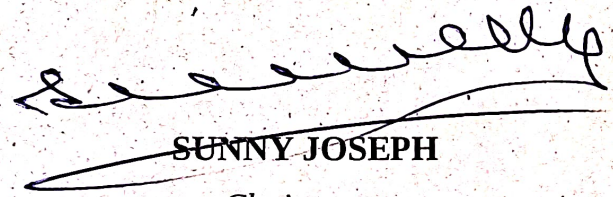
Dr. N. Krishna Kumar, Secretary.
Shri. P.S.Selvarajan , Joint Secretary.
Shri. Jomy K. Joseph, Deputy Secretary.
Smt. Beena O.M., Under Secretary.

INTRODUCTION

I, the Chairperson, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Eighty Fifth Report on Action Taken by Government on the Recommendations contained in the One Thirty Fifth Report of the Committee on Public Accounts (2008-11).

The Committee considered and finalised this Report at the meeting held on 13th August, 2025

Thiruvananthapuram
18th September, 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 One Hundred and Thirty Fifth Report of the Committee on Public Accounts (2008-11).

The Hundred and Thirty Fifth Report of the Committee on Public Accounts (2008-11) was presented to the House on 28th December 2010. The Report contained Twenty Four Recommendation relating to Taxes, Registration, Finance, Tourism, Revenue and Transport Departments. The Report was forwarded to Government on 30.12.2010 seeking the Statements of Action on the recommendations contained in the Report and the final reply was received on 26/10/2018.

The Committee examined the Statements of Action received from the Government at its meetings held on 23/12/2015, 13/12/2017, 18/07/2018 and 28/07/2021. The Committee was not satisfied with the Action Taken by the Government on the recommendation in Para No. 91 and decided to pursue further. This recommendation, reply furnished there on and further recommendation of the Committee are included in Chapter I of this Report.

The Committee decided not to pursue further action on the remaining recommendations in the light of the replies furnished by the Government. Such recommendations of the Committee and the Action Taken by Government are included in Chapter II of this Report.

CHAPTER I

RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN BY GOVERNMENT IS NOT SATISFACTORY AND WHICH REQUIRE REITERATION

FINANCE (Inspection N.T.D.)

1.1 Recommendation

(Sl. No. 17, Paragraph No. 91)

The Committee is disgusted to note that the unrealistic variance in the supply and receipts of stamps have crept into the transactions of all kinds of

stamps, the latest being the case with Non-Judicial General Stamps where there was a short receipt of ₹0.19 crore during 1997-98. Besides it, there was a huge excess of ₹134.40 crore during 1996-97. Even though the Commissioner, Land Revenue seemed dogmatic with arguments supporting Department, the Committee remarks that the Department cannot, just like that wash its hands off from the fact that they had scant control over the receipt and supply of stamps.

The Committee also criticizes the Department for not taking up the matter with the higher authorities or with ISP, Nasik. The Committee urges the Department to pay more attention and vigil in such matters. The Committee recommends that the Finance Inspection Wing should conduct an enquiry regarding this and after such an enquiry, the Finance Department should decide whether a police Vigilance enquiry is further required or not.

1.2 Action Taken

Finance Inspection Wing conducted inspections at the Commissionerate of Land Revenue and Central Stamp Depot, Thiruvananthapuram. As per the Kerala manufacture and Sale of Stamp Rules (1960), the Commissioner of Land Revenue is the ex-officio Superintendent of stamps. The Superintendent, Central Stamp Depot, Thiruvananthapuram obtains quarterly indent from the district stamp depots and consolidate them and the consolidated indents are placed before Indian Security Press, Nasik for procurement of stamps of denominations more than 500 and with Security Press, Hyderabad for denominations up to 500. ISP, Nasik, supplied the stamps directly to the District Stamp Depots and CSD. This procedure was followed up to 1998. Thereafter the CSD, Thiruvananthapuram is declared as the nodal point for the supply of stamps and stamp papers of the whole State from 01.10.1998. The statement showing the supply of Non-Judicial stamps for the year 1995-1996, 96-97, 97-98 and 98-99 from Security Press, Hyderabad to various District Treasuries of Kerala is available. The statement or details regarding the supply of non-judicial stamps from ISP, Nasik is not available for verification from ISP, Nasik. It was also stated that there were no consolidated statement regarding the supply and receipt of stamps during the period under question at CSD, Thiruvananthapuram. There was nothing on record to indicate that the matter regarding the shortage/excess had been taken up

with higher authorities or with the ISP, Nasik. Neither the details of supply of non-judicial stamps from ISP, Nasik nor a consolidated statement of receipt of stamps at various depots, during the period in question, is available with the Principal Director of Audit. As such a detailed examination of the case is difficult to Finance Inspection Wing. The Assistant Controller of Stamps, ISP, Nasik intimated that it is very difficult to furnish the required details as the information sought is very old and pertains to a period very long ago. Based on the facts and circumstances stated above, and also considering the gravity of the matter and the wide arena of details to be verified at various offices in Kerala and also at ISP, Nasik and also presuming the chances of malpractices, theft, forgery and fraud as opined by the Committee, the matter may be referred to Police Vigilance for a detailed enquiry.

[Ref. No. Report (RR)/PAC/135/08-11/845 dated 30.11.2012]
[Considered on 23/12/2015]

1.3 Further Recommendation

The Committee directed the Department to furnish the copy of Vigilance enquiry report.

CHAPTER II

RECOMMENDATIONS WHICH THE COMMITTEE DOES NOT DESIRE TO PURSUE IN THE LIGHT OF REPLIES FURNISHED BY GOVERNMENT

TAXES DEPARTMENT

2.1 Recommendation

(Sl. No. 1, Paragraph No. 43)

The Committee finds that Budget Estimate and actuals under luxury tax during the period from 1995-96 to 1999-2000 were glaringly unrealistic. The Committee is dissatisfied with the wavered arguments put forth by the officials and laments that the gravity of the mismatch is revealed by the statistics itself which showed that the variation was sometimes double the budget estimate and sometimes almost 100%. The Committee opines that the laxity of the authorities to contain the alarming variance had come to the fore time and again and failure to achieve the Budget Estimate over the years confirms the old adage about

'official functioning' that the more it changes, the more it remains the same. The Committee urges the officials to avoid the lackluster approach taken in such important financial matters so that in future considerable progress is made in realizing the amounts through collection of luxury tax.

2.2 Action Taken

The recommendation of the Committee is noted for future guidance.

[Ref. No. Report (RR)/PAC/135/2008-11/568 dated 16.08.2012]
[Considered on 23/12/2015]

2.3 Recommendation

(Sl. No. 2, Paragraph No. 44)

The Committee notes with grave concern that though the number of cases on non filing of return, filing of incorrect or incomplete return with respect to luxury tax showed an increasing trend during 1995-96 to 1999-2000, the Department official took no earnest or constrictive efforts in tackling the issue due to which the pendency of cases also filed up alarmingly. On top of this the Committee is annoyed to note that closing balance of preceding year never matched with the opened balance of the current year with respect to the number of pending assessments and blames the Officials for not properly projecting even the basic things. Though the Department officials came up with arguments supporting their stand, the Committee rejects their petulant observations and condemns the irresponsibility exhibited by the Department staff. Even though the Committee understands the lack of required personnel for executing the specified job, opines that the Department cannot forbid from the shocking image of inaction and callousness exhibited by the existing officials assigned for the work. The Committee urges the Department to take earnest efforts for prompt finalization of assessments and early realization of tax thereon since Taxes Department contribute lions share of revenue to the public exchequer. The Committee also recommends for deputing additional officers in the Department if found necessary which should not confine just to giving promotions to staff but should streamline the output as well.

2.4 Action Taken

At present there are Luxury Tax officers exclusively dealing luxury tax cases on all Districts. Also as per section 6(4) of the KTL Act final assessment under the Act has to be completed within period of 4 years from the expiry of the year to which the assessment relates. The Commercial Tax collection raised from 17.27 crores during 00-01 to 102.45 crores during 09-10. Due to the deployment of CT Officers all the Districts during 09 the assessment are being completed and the collection had increased considerably. At present there are 4609 assesseees in the State.

[Ref. No. Report (RR)/PAC/135/2008-11/568 dated 16.08.2012]
[Considered on 23/12/2015]

2.5 Recommendation

(Sl. No. 4, Paragraph No. 46)

The Committee once again expresses its disappointment in the externally low percentage of assessments done all over the state and recommends that department should prescribe time limits as well as specific norms/order and also fix target for each assessing officer for completion of assessments.

2.6 Action Taken

As per the recommendation of the Public Accounts Committee (2008-11) target has been fixed by the Commissioner of Commercial Taxes for the Completion of Luxury Tax assessment vide order No. D2-13272/13/CT date 30.12.2013. The target of assessment for each officer has been fixed as 40 Nos. per month. The Deputy Commissioners are directed to include the details of assessment in the monthly diary to review the progress achieved.

At present, 17 Luxury Tax Officers are working in the department. Details of assessment completed from 2008-09 to 2013-14 is given below.

Year	Assessment to be completed	Assessment completed	% of assessment completed	Balance
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2008-09	6777	2358	35.00%	4419
2009-10	9553	3872	41.00%	5681
2010-11	9435	4182	41.00%	5253
2011-12	10512	5915	56.00%	4597
2012-13	10504	4796	46.00%	5798
2013-14	11315	5414	48.00%	5901

The above table indicates that there is substantial increase in the number of assessment completed during 13-14 when compared to the year 2008-09.

[Ref. No. Report (RR)/PAC/135/2008-11/1505 dated 10.09.2015]
[Considered on 23/12/2015]

2.7 Recommendation

(Sl. No. 6, Paragraph No. 48)

The Committee feels that during registration of hotels, some parties are availing undue advantage by providing false information such as showing less number of rooms for getting tax exemption and at the same time showing more than five rooms thereby getting industrial subsidy. The Committee stresses that since Tourism being an industry and the firms adopting all methods to get financial benefits, the Department should leave no stone unturned and also plug all possible loopholes before registering the hotels so that Taxes Department as well as Tourism Department could escape from being cheated simultaneously. The Committee finds that certain hotels having less than 5 rooms appeared in the registered category which underlines as conspiracy that few officials were hand in glove with the hoteliers.

The Committee also urges the Taxes Department to inspect the vital facts and information received from Tourism Department before taking any action and that both the departments should exhibit co-ordination and work in tandem while taking decisions. The Committee adds that any orders through which these ineligible firms who availed benefits of subsidies should be reverted.

2.8 Action Taken

At present, 3589 hotels/lodges/resorts are registered under KLT Act. All

hotels registered under the Luxury Tax Act are not coming under the purview of Kerala Tourism Department. Only hotels classified as two star and above are being registered with the Tourism Department and it is only for getting classification from the Department. For getting classification of two star facility, hotels should have a minimum of 5 AC rooms. So, all the hotels registered with the Tourism Department are also holding registration under Kerala Tax on Luxuries Act, 1976.

The details of Home stay and House Boats are available from the website of the Tourism Department. The dealer wise details are extracted from the website for booking new cases under the Luxury Tax Act.

Before granting registration under the Luxury Tax Act, the concerned officers conduct necessary enquiries and inspection at the premises of the institution and gather further details from all sources including the website of Tourism Department and Local Authorities. The Intelligence Wing of the Department is conducting periodical inspections and enquiries so as to plug all possible loopholes that will lead to tax evasion. On going through the verification reports on the details gathered from the website of Tourism Department, it is noticed that the list of hotels in the Tourism website are star hotels and no huge variations are detected with regard to the number of rooms disclosed.

[Ref. No. Report (RR)/PAC/135/2008-11/1505 dated 10.09.2015]
[Considered on 23/12/2015]

2.9 Recommendation

(Sl. No. 7, Paragraph No. 49)

The Committee is unhappy over the fact that the officials agreed to furnish the district wise data of registered hotels as well as details of hotels who awaited subsidies without being qualified for the same before the Committee, it was not complied with.

2.10 Action Taken

As on 01.04.2016, there are 6902 Nos. of hotels, lodges / resorts registered

under the Kerala Tax on Luxuries Act, 1976. District wise details are given below.

District	No. of hotels registered under the LT Act.
Thiruvananthapuram	932
Kollam	472
Pathanamthitta	169
Aleppey	819
Kottayam	392
Idukki	490
Ernakulam	543
Mattancherry	550
Thrissur	757
Palakkad	543
Malappuram	340
Kozhikode	256
Wayanad	253
Kannur	255
Kasargod	131
Total	6902

Department has obtained details of subsidy disbursed to the classified Hotels from the department of Tourism.

The classified hotels in the list are registered dealers under Kerala Luxury Tax Act. Exemption/Subsidies given by the Industries Department/Tourism Department has no role in the determination, levy and collection of tax under the Kerala Tax on Luxuries Act.

[Ref. No. Report (RS)/PAC/135/2008-11/302 dated 28.02.2017]
[Considered on 18/07/2018]

2.11 Recommendation

(Sl. No. 8, Paragraph No. 50)

With respect to short levy of luxury tax due to incorrect assessment done in the case of M/s Taj Residency, Kozhikkode, the Committee understands that the party had raised an objection regarding the ambiguity in the amenities provided in the miscellaneous income category. The Committee opines that the Act said only 'other amenities' and the Department failed in properly interpreting the items that should be included in the category. The Committee recommends that the Department should take all possible steps to clearly specify in the Act or Rules as to what all facilities could be included under the amenities category.

2.12 Action Taken

With the Judgement of Hon'ble High Court in Casino Hotels Vs State of Kerala 0715 KTR 485 (Ker) the issue is settled and the assessing authorities are aware of the same. As the scope of amenities is clear by the above decision the need for defining the same does not arise.

[Ref. No. Report (RR)/PAC/135/2008-11/760 dated 22/10/2012]
[Considered on 23/12/2015]

2.13 Recommendation

(Sl. No. 9, Paragraph No. 51)

The Committee deplores the stand taken by the Department with respect to collection of tax at compounded rate from couple of hotels in Kollam District which allowed the hotels to remit tax at compounding rates when it was never applicable to them. The Committee criticizes the Department officials for acting at the behest of the hoteliers and urges that such officials should be brought to book. Similarly in another case the officials failed to collect room rent in the case of Hotel Excellency, Kollam by undermining the Luxury Tax Rules. The Committee warns the officials to do away with such polarity being shown towards the assesseees and urges to take immediate action against the hotel and for collecting the money.

2.14 Action Taken

This para refers to 2 cases in Kollam District. The present position of the

cases is as detailed below.

1) M/s Hotel Sudarsan (1994-95 to 1997-98)

The assessment in respect of Hotel Sudarsan, Kollam for the period from 1994-95 to 1997-98 was revised on 21/08/2001 and 22/08/2001 based on the appellate order No.438 to 445/2000 dated 30/06/2001 of the Appellate Assistant Commissioner, Kollam @ 15%, 10% and 7.5% respectively as follows:

Year	Total turnover	Taxable turnover	Balance LT due
1994-95	21,44,643/-	21,44,643/-	1,05,222/-
1995-96	24,95,669/-	24,95,689/-	1,14,441/-
1996-97	25,58,339.75	25,58,339.75	1,13,009/-
1997-98	27,66,341/-	27,66,341/-	1,61,128/-
Total			4,93,798/-

The assessee has remitted the tax dues and the collection particulars are as detailed below:

Chalan No. & Date	Amount (in ₹)
60/18.05.2001	40,832.00
32/ 24.08.2001	30,312.00
33/24.08.2001	21,852.00
34/24.08.2001	24,305.00
35/24.08.2001	39,363.00
210/14.12.2001	1,00,000.00
281/11.03.2005	2,37,134.00
Total	4,93,798.00

2) Hotel Excellency (1998-99 & 1999-2000)

a) 1998-99:

The final assessment of the assessee for the year 1998-99 was completed on 08/06/2001 under section 5A. There were 20 rooms in the hotel and rent per day was below ₹400/- and the final orders were passed by assessing the turnover as follows.

AC rooms @ ₹750/- per rooms for 10 rooms - ₹7,500/-

Non AC rooms @ ₹500/- per room for 10 rooms - ₹5,000/-

Total Luxury Tax due - ₹12,500/-

The entire arrears were remitted by the dealer.

b)1999-2000

The final assessment of the assessee for the year 1999-2000 was completed on 08/06/2001 under section 5A. There were 20 rooms in the hotel and rent per day was below ₹400/-. The Luxury Tax due of ₹12,500/- was remitted by the assessee.

[Ref. No. Report (RR)/PAC/135/2008-11/930 dated 11/03/2014]

[Considered on 23/12/2015]

2.15 Recommendation

(Sl. No. 10, Paragraph No. 52)

The Committee understands that during district wise centralisation of assessment of Luxury Tax, the assessment records in many district offices were not transferred to the Deputy Commissioner's Office. Expressing dismay at the unprofessional and irresponsible attitude of the Department staff, the Committee opines that failure of the officials to take action against the delinquent is like adding salt to wound. The Committee urges that strict action be taken against the defaulters to avoid such a grave mistake to get repeated.

2.16 Action Taken

The Kerala Tax on Luxuries Act was implemented in 1976. At the beginning stage, the Act was implemented through the officers of the works contract. As per order No. A1-35103/08/TX dated 26.11.2008. (G.O.(Rt) No. 964/2008/TD dated 22.10.2008), separate Officers were deployed exclusively for the implementation of Luxury Tax Act. Thereafter, things are going very

smoothly. Since the Office of the Luxury Tax is attached to the office of the Deputy Commissioner in every District, the Deputy Commissioner can monitor and supervise the functioning of Luxury Tax Offices including registration, collection, assessment etc.

The Public Accounts Committee recommendation is based on the C&AG Report for the period ended on 31.03.2001. Failure on the part of department officials in transferring assessment records to the concerned assessing authorities relates to the period prior to 2000-01. On the verification of this aspect it was revealed that the assessment files pending for being forwarded to the assessing officers were subsequently transferred. Considering this, no disciplinary action was initiated against the officials.

From the year 2008 onwards, in separate Luxury Tax assessment wing, registers, assessment files etc. are being maintained properly by the Luxury Tax Officers.

[Ref. No. Report (RR)/PAC/135/2008-11/1505 dated 10/09/2015]
[Considered on 23/12/2015]

2.17 Recommendation

(Sl. No. 11, Paragraph No. 53)

The Committee recommends that provisions be brought in the Luxury Tax Rules or manuals for proper maintenance of assessment records such as Registration Register, Assessment Register, Cheque register etc. Even though the Department officials agreed to furnish the copy of the Registration Register before the Committee which keeps track of the list of hotels registered, details of payment/renewal etc. It was not complied with. The Committee do not appreciate such acts of callousness and urges the Department to do the needful at the earliest.

2.18 Action Taken

As in the case of assessment, Circle Offices in the Commercial Taxes Wing, Luxury Tax Offices are also maintaining the registers such as Registration Register, Assessment Register, Demand Created register,(C3 Register) Cheque

Register, Revenue Recovery Register DCB Register Etc. The primary duty of the Supervising Officers namely the Inspecting Assistant Commissioner and the Deputy Commissioner is to go through these registers and point out irregularities, if any, therein at the time of cursory inspections. These registers are maintained manually and the defects detected are being rectified in time.

As per circular No.7/12 dated 28.03.2012, from 01.04.2012 onwards online facility for registration, registration renewal, return filing, payment of tax etc. has been introduced through the web based application of KVATI. Thus the various services to the dealers have become more transparent. As per circular No.10/12 dated 28.07.2012, online compounding facilities have been provided in the case of compounding of houseboats, DTH etc., Now physical Registers are being maintained mainly for DCB and Revenue Recovery. The Commissioner of Commercial Taxes vide circular 12/2014 has instructed the officers to maintain assessment registers in the format prescribed therein, to ascertain pending assessment, demand and collection. Therefore the above aspects are subjected to periodical review conducted by the Deputy Commissioner at the District level as well as the Commissioner of Commercial Taxes at the State level.

[Ref. No. Report (RR)/PAC/135/2008-11/1505 dated 10/09/2015]
[Considered on 23/12/2015]

2.19 Recommendation

(Sl. No. 12, Paragraph No. 54)

The Committee opines that there is heavy pendency in reconciliation of accounts through remittances and directs the Department that collection of tax through remittances must be reconciled every month as per the Kerala Financial Code. The Committee also remarks that during reconciliation, there must exist co-ordination amongst the Taxes, Treasury and Finance Departments while conjoining the accounts so that any difference in accounts or a change in Head could be avoided.

2.20 Action Taken

Monthly reconciliation of collection of tax through remittances is pending

in various offices of the Department from 2005-06 onwards. In view of the observation made by the Public Accounts Committee, all Deputy Commissioners have been given strict instruction to clear the pendency in respect of reconciliation of receipt figures within 3 months as per letter dated 04/10/2012.

[Ref. No. Report (RR)/PAC/135/2008-11/853 dated 28/01/2014]
[Considered on 23/12/2015]

2.21 Recommendation

(Sl. No. 13, Paragraph No. 55)

The Committee directs the Department to take necessary steps to prescribe a time limit for completion of assessments in the Kerala Tax on Luxuries Act and also for including assessment of charges for accommodation and other amenities. The Committee also asks the Department to make provisions in the Act so that interest be levied for non/belated payment of tax due.

2.22 Action Taken

(1) As per sec.6(4) of the KTL Act any final assessment under this section shall be completed within a period of four years from the expiry of the year to which the assessment relates.

(2) Section 6(5) of the Act provides to reopen Luxury Tax assessments at any time within a period of five years from the expiry of the year to which the tax relates, proceed to determine to the best of its judgement the turnover which has escaped assessment to tax has been under assessed or has been assessed at a lower rate than the rate at which it is assessable and assess the tax payable on such turnover after issuing a notice to the proprietor and after making such enquiry as it may deem fit.

(3) Section 10(2) of the Act reads as follows "where any proprietor, dealer or any other person has failed to include any charges or any other amount taxable under this Act with report to any luxury provided is any return filed or where any charges or any other amount taxable under this Act or tax due has escaped assessment, interest under Sub section (1) shall accrue on the tax due on such charges in other amount or tax with effect from such date on which the tax would

have fallen due for payment had the proprietor dealer or any other person included such charges or other amount taxable under this Act or tax in the return relating to the period to which such changes or other amount relates."

[Ref. No. Report (RR)/PAC/135/2008-11/568 dated 16/08/2012]
[Considered on 23/12/2015]

REGISTRATION DEPARTMENT

2.23 Recommendation

(Sl. No. 14, Paragraph No. 88)

The Committee understands that excessive indents were placed with respect to procurement of non-judicial stamps and feels that there is urgent need for strengthening the indenting procedure on a scientific basis. Based on the observations such as procurements of stamps other than designated denominations from Security Printing Press (Hyderabad), non availability of revenue realised from SSP, Hyderabad, procurement of stamps from outside the state (Chennai), by violating the provisions of Kerala Stamp Act etc., The Committee feels that forgery and conspired malpractice are evident in these transactions. The Committee stresses the need of an enquiry into the whole issue so that the culprits do not get away scot-free.

2.24 Action Taken

The Central Stamp Depot became the Nodal point for procurement of stamps in the year 1998. Thereafter, a scientific procedure is being followed for indenting stamps. Necessary stock positions are ascertained from all the District Stamp Depots and also after considering the stock position available in Central Stamp Depot Thiruvananthapuram, the demand for stamp papers for each financial year is calculated and the same is intended. As a result, there is no excess indenting observed.

The Vigilance and Anti Corruption Bureau conducted a detailed enquiry with respect to the irregularities in the purchase of insurance stamps to LIC divisions Kozhikkode and Thiruvananthapuram. Since no irregularities were detected in the enquiry, no further action was recommended by the Vigilance

department. Moreover, the Commissioner for Land Revenue has reported that whole issues regarding the purchase and sale of stamps were subjected to a detailed department enquiry and no irregularities were detected in the above enquiry.

[Ref. No. Report (RR)/PAC/135/2008-11/876 dated 13/03/2015]
[Considered on 23/12/2015]

2.25 Recommendation

(Sl. No. 15, Paragraph No. 89)

The Committee views with glaring impunity the fact that the CSD, Thiruvananthapuram did not have an accurate and consolidated information regarding receipts and sale of stamps and the existing data revealed shocking irregularities in the stamps supplied and received during 1995-96 to 2002-03, in the order of crores of rupees. The Committee feels that the Stamps & Registration wing has become the culmination of the system which is designed to breed corruption in its multifarious forms since not even a twinge of credibility or accountability was felt in the purchase and sale of stamps. The Committee fears that if the authority did not stem this trend and put a cap on the fiasco, this would snowball into a scandal and strictly urges that an enquiry be conducted to unearth the irregularities.

2.26 Action Taken

During the period mentioned in the audit observation, the District Stamp Depots were also procuring stamps directly from India Security Press, Nazik apart from the Central Stamp Depot. The data so produced by the District Stamp Depots were not furnished to the Central Stamp Depot, since the Central Stamp Depots was not the nodal point at that period. At present, the Central Stamp Depots is having the accurate details regarding the receipts of stamps from the India Security Press, Nazik, Security Printing Press Hyderabad and issue of stamps to the District Stamp Depots, as it is the only nodal point for procurement and distribution of stamps. As such, no difference in the data has been observed since 1998.

The Commissioner of Land Revenue has reported that whole issues regarding the purchase and sale of stamps were subjected to a detailed departmental enquiry and no irregularities were detected in the above enquiry.

[Ref. No. Report (RR)/PAC/135/2008-11/876 dated 13/03/2015]
[Considered on 23/12/2015]

2.27 Recommendation

(Sl. No. 16, Paragraph No. 90)

The Committee expresses concern over the shocking variance in receipts and the subsequent supply of stamps during 1995-96 and at the same time about the short supply of stamps worth ₹72.07 crore during 1997-2003. Even though the officials came up with clarification on the variance such as a lack of direct control over the proceedings during the said period as the job was vested with Treasury Director, the Committee feels it difficult to stomach and retorts that whoever be the monitoring authority, they should have surveiled the proceedings and took responsibility of the stamp transactions. Quoting the relevant rules in the Kerala Manufacture and Sale of Stamps Rules, 1960 which said “Board of Revenue in charge of Land Revenue shall be ex-officio superintendent of stamps and shall be in charge of administration of stamp depots in the State and shall exercise general control and supervision on the matter connected with Stamp Revenue in the State and also over the custody, issue and sale of stamp in and from the depots” the Committee clarifies its stand that the Department ought to be aware of the statistics.

2.28 Action Taken

Board of Revenue in charge of Land Revenue is the ex-officio Superintendent of Stamps and shall be in charge of the administration of the stamp depots in the state and shall exercise general control and supervision on the matter connected with stamp. Revenue in the state and also over the custody, issue and sale of stamp in and from the depots. Now Commissioner, Land Revenue is the ex-officio Superintendent of Stamps and having the accurate details regarding the receipt and sale of stamps and monitoring the works

connected with stamps in the Central Stamp Depot.

[Ref. No. Report (RR)/PAC/135/2008-11/827 dated 20/11/2012]
[Considered on 23/12/2015]

2.29 Recommendation

(Sl. No. 18, Paragraph No. 92)

The Committee opines that lack of control and co-ordination among the departments has contributed largely to the repeated discrepancies happening in the purchase, stock and sale of stamps and besides that the internal control mechanisms are also not functioning properly and efficiently. Though the Commissioner, Land Revenue Department appraised that their department was directing the sub offices to fill the specified proforma and also sending reminders for collection of details, the Committee is not too pleased with the conventional methods being adopted. The Committee urges that instead of wasting time over such mundane methods, the Department should take stringent actions against the concerned officers who took a weak-kneed approach in undertaking such important jobs.

2.30 Action Taken

All the discrepancies in this figures were noticed prior to 1998, when there was no nodal point for the procurement and supply of stamps. In 1998, the Central Stamp Depot became the nodal point and now the monitoring of distribution of stamps is strengthened and correct details of stock position are obtained regularly. The Commissioner of Land Revenue has reported that since no irregularities regarding the Distribution of stamps were noticed in the departmental enquiry, no disciplinary action was initiated against officials.

[Ref. No. Report (RR)/PAC/135/2008-11/876 dated 13/03/2015]
[Considered on 23/12/2015]

2.31 Recommendation

(Sl. No. 19, Paragraph No. 93)

The Committee notes with concerns that various categories of stamps such

as Impressed Court Fee, Share Transfer, India Insurance Stamps etc. worth ₹7.99 crore were lying idle in District Stamp Depot, Mananthavady, without being sold out. The Committee recommends that these stamps should be dispersed off immediately, either by selling it out or by transferring to other Depots in the State where there is shortage, else it would get damaged and go as waste.

2.32 Action Taken

Out of the Stamp worth ₹7.99 crore kept in the District Stamp Depot, Mananthavady, the Court fee stamp worth 7.59 crore have already been sold out. Unused share transfer stamp worth ₹16,50,000/- has been forwarded to Central Stamp Depot, Thiruvananthapuram for re-distributing to other stamp depots and the balance amount of stamps for 24 lakhs kept in the Mananthavady stamp depot for the use of the district. Hence no stamp paper is lying idle now in the District Stamp Depot Mananthavady.

[Ref. No. Report (RR)/PAC/135/2008-11/827 dated 20/11/2012]
[Considered on 23/12/2015]

2.33 Recommendation

(Sl. No. 20, Paragraph No. 94)

The Committee blemishes the weak licensing authority (for vending stamps) of the Land Revenue Department which turned a Nelson's eye towards the irregularities in stamp procurement with respect to the case of LIC Divisions of Thiruvananthapuram and Kozhikode where stamp was purchased from vendors outside the State (Chennai) as well as from non-licensed vendors within the State (Kottayam) as against the provisions in KMSSR. The Committee feels that the Finance Department along with the Internal Control Wing of the Revenue Department apparently failed to detect the loss of revenue / irregular sale of stamps amounting to ₹2.18 crore. The Committee even doubts that an unholy nexus existed between the top departmental brass and stamp vendors in conniving at illegal stamp deals casting a shadow on the Public Exchequer. The Committee strongly remarks that this is a criminal case of high magnitude as it exposed the sordid underbelly of the Department. The Committee recommends

that stamps purchased from Chennai & Kottayam as well as the issue related to purchase of insurance stamps by LIC of India be subjected to a vigilance enquiry. The Committee urges that Vigilance enquiry be conducted in the five other cases also where stamp vendors sold insurance stamps of LIC Divisions in excess of their purchase from their designated stamp Depots Treasuries during 1999 to 2003 at Kozhikkode, Ernakulam, Kottayam and Thiruvananthapuram.

2.34 Action Taken

Government have issued guidelines for the appointment of Stamp Vendors in SRO No. 614/2007 dated 13.07.2007. Vide Rule 35 (1) in the Government order a District Committee consisting of the District Collector, the District Registrar (General) and the District Treasury Officer as members is entrusted with the appointment of Stamp Vendors in the State. Licences are issued to the Vendors by the District Treasury Officer on the recommendations of the District Committee. On the basis of the recommendations in the PAC Report, all the District Treasury officers, Stamp Depot officers and Sub Treasury Officers have been strictly instructed by issuing circular direction to verify regularly the Day book of Stamp Vendors for any discrepancy in the sale of stamps.

During the period mentioned in the paragraph of the PAC report, sufficient stock were at hand in almost all denominations of insurance stamps in Central Stamp Depot, Thiruvananthapuram. Vigilance Enquiry is going on in the matter specified in this paragraph.

[Ref. No. Report (RR)/PAC/135/2008-11/827 dated 20/11/2012]

[Considered on 23/12/2015]

2.35 Recommendation

(Sl. No. 22, Paragraph No. 96)

The Committee is irate over the inability of the Land Revenue Department to compare the sale of Non - Judicial Stamp papers with stamp duty levied by Registration Department and also in making available the details of stamp papers sold through Depots/Treasuries despite repeated request and subsequent

assurance from the Commissioner. Treating this as a mark of disrespect shown towards them, the Committee directs the Department to take action against the delinquents.

2.36 Action Taken

The details of stamps papers sold through the various Depots/Treasuries have already been furnished to the Public Accounts Committee, as per Letter No. FB(8)-21210/2009 dated 22/03/2010 of the Commissioner for Land Revenue.

Vigilance enquiry was conducted in the whole matter regarding purchase and sale of stamps by the stamp vendors. But no irregularities were detected in the Vigilance enquiry. Therefore, the Vigilance Department, recommended for no further action in the matter.

The Commissioner for Land Revenue has reported that all the dealings related to the purchase and sale of stamps are now being monitored in the Commissionerate of Land Revenue and the Commissioner for Land Revenue is keenly observing each and every activity of the central stamp depot more efficiently and promptly.

[Ref. No. Report (RR)/PAC/135/2008-11/876 dated 13/03/2015]
[Considered on 23/12/2015]

FINANCE DEPARTMENT

2.37 Recommendation

(Sl. No. 3, Paragraph No. 45)

The Committee stresses that the Finance Department should do an assessment to spot the areas where the work load increased and fill the sections where staff was badly required. The Committee finds that it is not onus of Department alone but the Government also was equally responsible in striving for fruitful results and recommends the Government to take necessity steps so that the Department took action against those officers who lagged behind in achieving their targets as well as to issue rewards for best performance.

2.38 Action Taken

At present there are Luxury Tax Officers exclusively dealing Luxury Tax

cases in all Districts. Also as per Sec.6(4) of the KLT Act, final assessment under the Act has to be completed within a period of 4 years from the expiry of the year to which the assessment relates. The Luxury Tax Collection raised from ₹17.27 Crore in 2000-01 to ₹102.45 Crore during 2009-10. Due to the deployment of L.T. officers in all the district during 2009, the assessment are being completed and the collection has increased considerably. At present there are 4609 assesseees in the state.

[Ref. No. Report (RR)/PAC/135/2008-11/521 dated 24/11/2011]
[Considered on 23/12/2015]

2.39 Recommendation

(Sl. No. 5, Paragraph No. 47)

The Committee asks the Finance Department to keep a strict vigil on the matters of collection of arrears of revenue. The Committee also opines that if any case got disposed through the Amnesty Scheme the corresponding amount should reach the Government or only if the amount is remitted vide this scheme could the cases be disposed off.

2.40 Action Taken

The facility of settlement of arrears under Amnesty Scheme was introduced as pronounced in Para 155 of Budget Speech 2008-09. As per the provisions of this Scheme the arrears advised for RR Proceedings are also entitled for settlement under this scheme. In such cases, the assessing authority shall, on acceptance of the settlement scheme and after remittance of 25% of the due amount by the assessee withdraw the RR proceedings and the dealer shall not be liable for any collection charge in respect of such payment. This has been incorporated in the Finance Act 2008.

[Ref. No. Report (RR)/PAC/135/2008-11/633 dated 14/09/2012]
[Considered on 23/12/2015]

2.41 Recommendation

(Sl. No. 21, Paragraph No. 95)

The Committee understands with concern that even though KMSSR

stipulates all the vendors to record the date of sale, address of purchaser, value of stamps etc. in full words behind every stamp paper, it is not followed by many vendors across the state. The Committee is disgruntled to note that the Department took no action whatsoever against delinquent despite finding irregularities galore during verification. The Committee condemns this studious ignorance shown by the officials in skirting the issue and recommends the Finance Inspection Wing to conduct an enquiry into the matter and also to take action against the vendors who were found guilty. The Committee reiterates that a Vigilance Enquiry be conducted on all the cases of irregularity pointed out in paragraph 5.2.6 of the AG's Audit Report.

2.42 Action Taken

KMSSR stipulates all the vendors to record the date of sale, address of purchaser, value of stamps etc, in full words behind every stamp paper. But it is noticed that the same is not followed by majority of vendors. The present delegation of power of Finance Inspection Wing does not permit to conduct an enquiry/ inspection among the stamp vendors, which are large in number and working as private agency. Hence, only a vigilance enquiry can unearth the delinquents in this field.

The Finance Department has taken up the matter with the Taxes Department in this regard. The Taxes (E) Department as per letter no. 3044/E3/14/TD dated 01/04/2014 has informed that a vigilance enquiry was done in the matter. On completion of the vigilance enquiry pertaining to Para 95 of the Public Accounts Committee's (2008-11) 135th report the Vigilance department has recommended no further action in the matter.

However, on the basis of the recommendations in the PAC Report, Finance Department directed Treasury Department to give directions to their officers to insist the vendors to record the date of sale, full address of purchaser, value of stamp paper etc, behind every stamp paper as per KMSSR. And also requested to verify the registers at least thrice in an year.

The Director of Treasuries issued Circular No. F1/2465/2014 dated 6.3.2014 and directed all Treasury Officers to ensure that stamp vendors under their jurisdiction to record the date of sale, address of the purchaser, value of

stamps etc. on the reverse side of the stamp papers as per Rule 43 of Kerala Manufacture and Sale of Stamp Rule 1960.

[Ref. No. Report (RR)/PAC/135/2008-11/668 dated 11/11/2014]
[Considered on 23/12/2015]

TOURISM DEPARTMENT

2.43 Recommendation

(Sl. No. 6, Paragraph No. 48)

The Committee feels that during registration of hotels, some parties are availing undue advantage by providing false information such as showing less number of rooms for getting tax exemption and at the same time showing more than five rooms thereby getting industrial subsidy. The Committee stresses that since Tourism being an industry and the firms adopting all methods to get financial benefits, the Department should leave no stone unturned and also plug all possible loopholes before registering these hotels so that Taxes Department as well as Tourism Department could escape from being cheated simultaneously. The Committee finds that certain hotels having less than 5 rooms appeared in the registered category which underlines a conspiracy that few officials were hand in glove with the hoteliers. The Committee also urges the Taxes Department to inspect the vital facts and information received from Tourism Department before taking any action and that both the departments should exhibit co-ordination and work in tandem while taking decisions. The Committee adds that any orders through which these ineligible firms who availed benefits of subsidies should be reverted.

2.44 Action Taken

Department of Tourism is not involved in registering the hotels and as such we are unaware of the facts which they produce to the registering authority and the Taxes Department. The incentives from Department of Tourism are offered based on the classification given by Ministry of Tourism, Government of India. In the classification order, number of rooms of the hotels are clearly specified after the inspection of the Committee for classification and only based on the same, incentives are given, The suggestions of PAC that both the

departments should exhibit co-ordination and work in tandem is a welcome suggestion.

[Ref. No. Report (RR)/PAC/135/2008-11/604 dated 18/07/2013]
[Considered on 23/12/2015]

REVENUE DEPARTMENT

2.45 Recommendation

(Sl. No. 18, Paragraph No. 92)

The Committee opines that a lack of control and co-ordination among the Departments has contributed largely to the repeated discrepancies happening in the purchase, stock and sale of stamps and besides that the internal control mechanisms are also not functioning properly and efficiently. Though the Commissioner, Land Revenue Department appraised that their Department was directing the sub offices to fill the specified proforma and also sending reminders for collection of details the Committee is not too pleased with the conventional methods being adopted. The Committee urges that instead of wasting time over such mundane methods, the Department should take stringent actions against the concerned officers who took a weak kneed approach in undertaking such important jobs.

2.46 Action Taken

All the discrepancies in the figures were noticed prior to 1998 when there was no nodal point for the procurement and supply of stamps. In 1998, the Central Stamp Depot became the nodal point and now the monitoring of distribution of stamps is strengthened and correct details of stock position are obtaining regularly.

[Ref. No. Report (RR)/PAC/135/2008-11/749 dated 12/02/2015]
[Considered on 23/12/2015]

2.47 Recommendation

(Sl. No. 20, Paragraph No. 94)

The Committee blemishes the weak licensing authority(for vending

stamps) of the Land Revenue Department which turned a Nelsons eye towards the irregularities in stamp procurement with respect to the case of LIC Divisions of Thiruvananthapuram and Kozhikkode where stamp was purchased from vendors outside the State (Chennai) as well as from non-licensed vendors within the state (Kottayam) as against the provisions in KMSSR. The Committee feels that the Finance Department along with the Internal Control Wing of the Revenue Department apparently failed to detect the loss of revenue/irregular sale of stamps amounting to ₹2.18 crore. The Committee even doubts that an unholy nexus existed between the top departmental brass and stamp vendors in conniving at illegal stamp deals casting a shadow on the Public Exchequer. The Committee strongly remarks that this is a criminal case of high magnitude as it exposed the sordid underbelly of the Department. The Committee recommends that stamps purchased from Chennai & Kottayam as well as the issue related to purchase of insurance stamps by LIC of India be subjected to a vigilance enquiry. The Committee urges that Vigilance enquiry be conducted in the five other cases also where stamp vendors sold insurance stamps of LIC Divisions in excess of their purchase from their designated stamp Depots/Treasuries during 1999 to 2003 at Kozhikkode, Ernakulam, Kottayam and Thiruvananthapuram.

2.48 Action Taken

Vigilance & Anti-Corruption Bureau enquired about allegation that LIC Divisions at Kozhikkode and Tvpm used insurance stamps purchased from a firm named Shara Enterprises in Tamil Nadu which was not even licensed to vend stamps in Tamil Nadu resulting in loss of ₹31.9 lakhs to Government of Kerala during 2001-2002. Second allegation was related to LIC Division, Tvpm which purchased during 2001-2012 Insurance Stamps from Sneha Service, Kurichi, Kottayam which was not licensed to sell stamps. A Total amount of stamp worth ₹35.42 lakhs was purchased by them. The third allegation was against Five licensed Stamp vendors who sold insurance stamps to LIC Division in excess of their purchase from their designated Stamp Depot/Treasury.

The allegation earmarked for enquires were based on the irregularities found in the audit conducted by the Audit Wing of the Principal Accountant General, Kerala. In connection with the allegation one and two, it was revealed

that the Economic Offence Wing VII of CBI, New Delhi had registered a case as RC.4(E-2004/CBI) on 30.06.2014 and investigation there on made by them. It is noted that those stamp cases were related to 'Thelgi Cases' which as monitored by the Hon.'ble Supreme Court of India. Hence, no further enquiry was made in this regard.

In the five instances of alleged irregularities contained in the 3rd allegation, Vigilance & Anti-Corruption Bureau did not find any infirmity and hence no action was recommend.

[Ref. No. Report (RS)/PAC/135/2008-11/446 dated 27/10/2017]

[Considered on 13/12/2017]

TRANSPORT DEPARTMENT

2.49 Recommendation

(Sl. No. 23, Paragraph No. 118)

The Committee is unhappy over the failure of the Department officials in submitting the details regarding the irregular exemption of tax on vehicles even though the Secretary, Transport Department assured them to do so. The Committee directs the officials to furnish the relevant details without fail at the earliest.

2.50 Action Taken

This para relates to LAR (2005-2006) Irregular exemption of tax in 5 Regional Transport Offices & 2 Sub Regional Transport Offices amounting to ₹22,83,273/-.

1. RTO Kottayam II B II - ₹5,606/-
2. RTO, Alappuzha II A II - ₹1,47,750/-
3. Sub RTO Kottarakkara II B I- ₹18,800/-
4. RTO Palakkad II A v - ₹39,000/-
5. Sub RTO Kazhakkuttom II B I - ₹8,820/-
6. RTO Attingal II B II - ₹1,64,900/-
7. RTO Kannur II A II – ₹1,71,216/-

(No. of cases 75 instead of ₹18,98,397)

1. RTO, Kottayam collected the entire amount ie, ₹5,606/- and Accountant General, Audit settled the para in July 2007(Audit Committee Meeting).
2. RTO, Alappuzha collected ₹89,200/- in 591 cases and Accountant General, Audit vide letter dated 11.01.2010 stated that the para is not pursued further.
3. **Sub Regional Transport Office Kottarakara:-** Free tax endorsement in vehicle KL 02 U 1501 on 04.04.2005 on the basis of Medical disability Certificate dated 23.12.2004 & the vehicle owner is eligible for tax exemption in SRO No. 301/98 of Government of Kerala. Hence there is no revenue loss in this case. Accountant General settled the para in Audit Committee Meeting on dated December 2009.
4. **Regional Transport Office, Palakkad :-** Collected ₹. 181200/- in 39 cases and Accountant General (Audit) has settled the para vide letter dated 30.07.2008.
5. **Sub Regional Transport Office Kazhakootam :-** Collected ₹.9240/- Accountant General (Audit) vide letter dated 05.09.2007 has stated that not pursued further.
6. **Regional Transport Office, Attingal :-** 7 cases are involved and Collected ₹1,49,787/- out of ₹1,66,900/-
7. **Regional Transport Office, Kannur :-** Total number of cases 75. Amount due ₹. 1,71,216 Amount collected ₹.43,550/- and disposed 23 cases.

[Ref. No. Report (RS)/PAC/135/2011-14/486 dated 09/01/2018]

[Considered on 18/07/2018]

2.51 Recommendation

(Sl. No. 24, Paragraph No. 123)

The Committee raised its ambiguity over the view submitted by the Department officials regarding the levying of fee on permit and certificate of fitness applicable to 'omnibus' vehicle category. The Committee directs that the Department should draw an exact conclusion as to the clarification between transport vehicle and private vehicle by seeking legal opinion and also after carefully studying the Motor Vehicles Act.

2.52 Action Taken

On checking in some RT/Sub RT offices, the Local Audit Team noticed that even after the notification SO No. 1248/E dated 05.11.2004, so many omnibuses were registered as Private Service Vehicle for personal use and the omnibus registered before 05.11.2004 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 05.11.2004. Had these vehicles been classified or reclassified as Transport vehicle, permit fee at the rate of ₹500 and CF fee at the rate of ₹300 from each vehicle would have been realized. In the above circumstances, the transport 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 other wise 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 05.11.2004 wherein omnibus 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 19/06/1992 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 either be 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. More over 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 omni bus also. The audit party did not consider the above provisions of the Motor Vehicles Act.

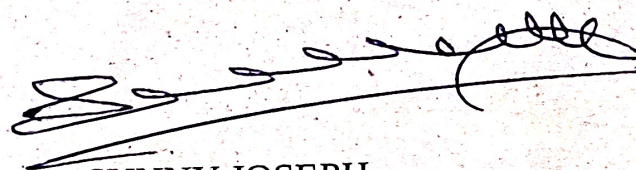
It may also be noted that in our neighbouring state like Tamil Nadu, Karnataka and Andhra Pradesh, omnibus are categorized in the category of Non Transport Vehicle if it is registered in the name of an individual and solely used for his personal purpose.

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/135/2008-11/674 dated 26/10/2018]
[Considered on 28/07/2021]

Thiruvananthapuram,

18th September 2025



SUNNY JOSEPH

Chairperson

Committee on Public Accounts

APPENDIX
SUMMARY OF MAIN CONCLUSION/RECOMMENDATION

Sl No.	Para No.	Department Concerned	Conclusion/Recommendation
1	1.3	Finance	The Committee directed the Department to furnish the copy of Vigilance enquiry report.