

## **OVERVIEW**

### **1. General**

This Report contains five chapters which include 33 paragraphs relating to deficiencies in the system of monitoring the registration of vehicles, issue and renewal of licences, permits, collection of taxes, fees and fines and internal controls of the Transport Department of the state involving ₹ 14.41 crore. Some of the major findings are mentioned in the following paragraphs:

As on 30 June 2010, 100 inspection reports issued upto December 2009 containing 267 audit observations involving ₹ 9.44 crore were outstanding for want of response or final action by the Transport Department.

**(Paragraph 1.9)**

As of 31 March 2010, the Transport Department had not furnished explanatory notes in respect of seven selected and 202 unselected paragraphs including four sub paragraphs of Audit Reports from 1981-82 to 2007-08.

**(Paragraph 1.10.2)**

### **2. Deficiencies in System Implementation**

We noticed that the system was implemented in a phased manner and as on 31 March 2009 VAHAN was operational in only 19 RAs out of the 27 units (26 RAs and STA) while SARATHI was operational in nine.

**(Paragraphs 2.2)**

We observed that a security policy had not been formulated by the Department. No guidelines had been issued to the RAs for protection of hardware and software of the system.

**(Paragraphs 2.3.1)**

We noted that due to lack of a business continuity plan, data could not be restored in the office of the RA, South 24 Parganas after a system crash which occurred on 4 September 2008 following which the data was irretrievably lost as the RAs had discontinued the maintenance of any manual register relating to collection of taxes and fees after computerisation of their activities.

**(Paragraphs 2.5)**

### **3. Vahan and Sarathi**

In the VAHAN software we found that in the 'owners' table the same engine number was found to have been entered against two different registration numbers in 462 vehicles in 11 RAs. We cross checked the 'owner' table and 'Motor vehicle check' table and found that in case of 2,635 vehicles though the registration numbers were the same, the chassis number or the engine numbers differed in the two tables in the 11 RAs.

**(Paragraph 3.2.1)**

We found that the data was not accurate and was unreliable. In case of 68 vehicles registered in the RA, Howrah, the date of registration was earlier than the date of purchase of the vehicles by 1 to 25 days. We also found that 2,141 vehicles were registered either on a Saturday or a Sunday.

**(Paragraph 3.2.2)**

We analysed the database and found that 2,90,641 vehicles had not paid tax of ₹ 645.17 crore. Of these, 40,585 vehicles were more than thirty years old, some of which are dating back to 1930's.

**(Paragraph 3.13)**

We found that out of 33 fields prescribed for registration of motor vehicle in 'Form 20' under the CMV Rules 1989, five fields were not mapped in the system.

**(Paragraph 3.15)**

We found from the SARATHI database of the eight RAs selected for review that input validation controls were not inbuilt in the system. Hence, the system was unable to restrict input of invalid data. In the database of six RAs, we noticed that in 788 cases DL for transport vehicles were issued though the applicants did not have the requisite minimum educational qualification of eighth standard under Rule 8 of CMVR, 1989.

**(Paragraph 3.16.1)**

#### **4. Other observations**

We found no record/register was maintained to watch revalidation and return of the lapsed drafts. This resulted in blocking of revenue of ₹ 2.22 crore as revalidation of the BDs is still pending.

**(Paragraphs 4.4.1)**

We found that defaulting owners of seized vehicles neither paid the assessed dues nor was any action taken by the RAs to dispose of the seized vehicles through auction though a considerable period of time had lapsed since their seizure. This resulted in non-realisation of revenue of ₹ 25.07 lakh in 33 cases.

**(Paragraph 4.6)**

We found in the offices of the STA, WB and nine RAs that inability of the Department to issue saleable forms to the applicants for licence, registration and permits resulted in loss of revenue of ₹ 1.07 crore.

**(Paragraph 4.7)**