

CHAPTER – IV
TRANSPORT DEPARTMENT

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4.1 Tax Administration

The collection of road tax is governed by the provisions of the Motor Vehicles Act, 1988 and Rules made thereunder and the Assam Motor Vehicle Taxation Act, 1936 (as adapted by Government of Meghalaya). The Transport Department is responsible for collection of taxes, fees and fines on motor vehicles in Meghalaya. Motor vehicle tax is realised primarily from all commercial vehicles registered in the State and One Time Tax of 15 years is realised in case of private vehicles. For commercial vehicles, motor vehicle tax is realised every year and the vehicle owner has the option to pay it quarterly, half yearly or annually. Besides, composite fee in lieu of motor vehicle tax is also collected from commercial vehicles bearing national permit/tourist permit of other states plying in the State. Further, there is provision for levy and collection of fines for various offences, which are imposed under the respective Acts and Rules.

The Principal Secretary/Commissioner and Secretary to Government of Meghalaya, Transport Department is in overall charge of the Transport Department at the Government level. The Commissioner of Transport (CT) is the administrative head of the Department who is assisted by an Assistant Commissioner of Transport (ACT) and the Secretary, State Transport Authority (STA). At the district level, the District Transport Officers (DTOs) have been entrusted with work of registration of vehicles, issuance of permits and collection of duties.

4.2 Results of Audit

Test check of records of five units and one unit during 2020-21 and 2021-22 respectively revealed non-realisation of taxes, fees and fines, *etc.*, involving ₹ 52.22 crore and ₹ 0.33 crore in 14 cases and one case respectively which fall under the following categories:

Table 4.2.1: Results of Audit

Sl. No.	Category	(₹ in crore)			
		2020-21		2021-22	
		No. of cases	Amount	No. of cases	Amount
1.	Loss of revenue	8	46.48	1	0.33
2.	Other irregularities	6	5.74	-	-
Total		14	52.22	1	0.33

During the year 2020-21 and 2021-22, the Department accepted loss of revenue and other irregularities to the tune of ₹ 52.22 crore and ₹ 0.33 crore in 14 cases and one case respectively. However, no recovery was intimated in any case during the year.

An illustrative case having financial impact of ₹ 23.75 crore due to absence of monitoring on the functioning of weighbridges resulting in non-realisation from these weighbridges, is discussed in **Paragraph 4.3**.

4.3 Non-realisation of revenue from weighbridge licensees

Failure on the part of the Commissioner of Transport to enforce compliance of the terms and conditions of contract agreement for setting up of integrated check-gate-cum-weighbridge and absence of monitoring on the functioning of the weighbridges resulted in non-realisation of revenue of ₹ 23.75 crore.

Section 138 (2) (b) of the Motor Vehicles Act, 1988 empowers State Governments to make rules for establishment and use of weighing devices to detect overloading of goods-laden vehicles. Accordingly, the Government of Meghalaya notified (December 2009), the Meghalaya Installation, Regulation, Maintenance and Operation of Weighbridge Rules, 2009 (Rules) which was amended in 2015 and 2018. As per Rule 3 of the Rules *ibid*, the State Government can install and maintain by itself as many weighbridges as it may find necessary or may allow any private persons, body of persons, company or organisation to install and maintain such weighbridges on payment of lease amount to be determined in each case by the Government after calling tender. Further the Rules *ibid* provide that each weighbridge shall be supervised by an Enforcement Inspector, who will check and ensure that no vehicle carries weight above the permissible limits as fixed by the competent authority under the relevant law from time to time.

For setting up of integrated check-gate-cum-weighbridge at 13 locations, the Transport Department floated four tenders on 14 April 2016, 14 December 2018, 13 August 2019 and on 16 October 2020. Subsequently the Department entered into agreements with selected parties (Licensees) for operation of weighbridges as detailed in **Table 4.3.1:**

Table 4.3.1: Details of Licensees for operation of weighbridges

Sl. No.	Name of the Weighbridge	NIT date	Name of the selected Licensee	Date of Agreement	Agreement period	Expiry date	Annual Fees (₹)
1.	Amsarin, Jowai-Dawki road ⁴⁰	14.04.2016	Shri Deiporme Dkhar	07.12.2017	3 years	06.12.2020	25,00,000
2.	Majai, East Khasi Hills ¹		Shri Bastad Mawlong	28.10.2019 ⁴¹	2 years	27.10.2021	55,00,000
3.	Umling (Entry) Ri Bhoi	14.12.2018	Shri Kyrpad Shylla	07.03.2019	3 years	06.03.2022	1,30,00,000
4.	Umling (Exit) Ri Bhoi		Shri Win Pale				2,45,00,000
5.	Killing, Ri Bhoi						39,00,000
6.	8 Mile (Phramer), West Jaintia Hills	13.08.2019	Shri Win Pale	24.01.2020		23.01.2023	4,14,72,000
7.	Borsora, South West Khasi Hills		Shri K. M. Jyrwa	24.07.2020		23.07.2023	53,15,000
8.	Wageasi, North Garo Hills	13.08.2019	Shri B. B. Marak	15.01.2021	3 years	14.01.2024	2,00,00,000
9.	Tikkrikilla, West Garo Hills					18.01.2021	17.01.2024

⁴⁰ The Lease Agreements for Amsarin and Majai weighbridges were renewed only on 01.06.2022 and 08.04.2022 respectively. During the intervening period from 6.12.2020 to 31.05.2022 and 27.10.2021 to 08.04.2022 in respect of Amsarin and Majai weighbridges when the lessees did not renew the leases, the weighbridges were being managed departmentally by the same officers and staff who were posted at the weighbridges during the tenure of the Agreement.

⁴¹ This agreement was executed upon the expiry of the earlier agreement which was executed on 05.10.2016.

Sl. No.	Name of the Weighbridge	NIT date	Name of the selected Licensee	Date of Agreement	Agreement period	Expiry date	Annual Fees (₹)
10.	Masighat, South Garo Hills		Smti Sonam Odriyana G. Momin	18.01.2021		17.01.2024	1,50,00,000
11.	Bagli, South West Khasi Hills		Shri S. M. Sangma	23.01.2020		22.01.2023	2,11,22,018
12.	Bajengdoba, North Garo Hills		Shri W. A. Sangma	No Agreement	--	--	75,00,000
13.	Ratacherra, East Jaintia Hills	16.10.2020	Shri K. Langbha Pajuh	18.02.2021	3 years	17.02.2024	5,83,00,000

As per the agreements, the Licensee has to (i) make the check-gate-cum-weighbridge operational within 90 days of entering into the agreement; (ii) pay the licence fee (annual fee or annual rent) from the date of the agreement in three equal instalments and each instalment shall be paid by the licensee within seven days before the date of completion of every fourth month or any next working day, if the seventh day falls on a holiday; (iii) the licensee shall pay security deposit (SD) at the prescribed rate before signing the agreement, which will be released only after satisfactory completion of the contract. Government is entitled to cause the licensee to forfeit the same in case of breach or default by the licensee; (iv) the Government shall be entitled to terminate the agreement without notice if the licensee fails to pay either the settled amount or the instalments due within 15 days from the date it falls due; and (v) the Government shall be at liberty to initiate legal proceedings and also blacklist the licensee in case of default by the licensee.

4.3.1 Failure to enforce the terms and conditions of contract agreement for setting up of integrated check-gate-cum-weighbridge

Audit noted that out of 13 weighbridges approved for 13 locations by the Department, only eight⁴² were operational. Further scrutiny (December 2021-January 2022) of records of the Commissioner of Transport revealed the following:

4.3.1.1 Non-payment of annual fees of ₹ 9.49 crore

Seven out of the eight operational weighbridges were observed to have outstanding dues of annual fees. Out of these seven weighbridges, audit observed that in respect of the weighbridge at Majai, East Khasi Hills, the licensee did not apply for renewal/extension of his licence till the date of audit (January 2022) even though it had expired on 27 October 2021. The licensee had stopped paying the annual fee from September 2019 and had seven instalments of annual fees pending. Three other weighbridges⁴³ had not yet paid a single instalment of the annual fees since the date of signing of the agreement. The other three weighbridges had failed to pay at least one instalment each. However, the Department did not take any concrete action against the defaulting licensees as per the relevant terms of the contract agreements. Audit observed that the Department neither took over the weighbridges nor took steps to recover the outstanding annual fee from the licensee, resulting in non-realisation of annual fee amounting to ₹ 9.49 crore

⁴² (i) Amsarin (ii) Majai (iii) Umling (Entry) (iv) Umling (Exit) (v) Killing (vi) 8 Mile (Phramer) (vii) Borsora and (viii) Bagli.

⁴³ Sl. No. 5, 6 and 7 of Table 4.3.2.

from the defaulting licensees. The details of outstanding dues yet to be paid by the seven licensees are given in **Table 4.3.2**:

Table 4.3.2: Details of Outstanding dues

Sl. No.	Name of the Weighbridge	Name of the Licensee	Date of Agreement	Annual Fees (₹) & (Total Nos. of instalments)	Amount of Annual Fees per instalment (₹)	No. of instalments due as of January 2022	Amount Paid as of January 2022	Outstanding Annual Fee (₹)
1	Majai, East Khasi Hills	Shri Bastad Mawlong	28.10.2019 ⁴⁴	55,00,000 (8)	18,33,334	7	17,71,667	1,66,45,885 ⁴⁵
2	Umling (Entry) Ri Bhoi	Shri Kyrpad Shylla	07.03.2019	1,30,00,000 (6)	43,33,334	1	2,16,66,670	43,33,334
3	Umling (Exit) Ri Bhoi	Shri Win Pale	07.03.2019	2,45,00,000 (5)	81,66,667	1	3,26,66,668	81,66,667
4	Killing, Ri Bhoi		07.03.2019	39,00,000 (5)	13,00,000	1	52,00,000	13,00,000
5	8 Mile (Phramer) West Jaintia Hills		24.01.2020	4,14,72,000 (6)	1,38,24,000	3	4,14,72,000	4,14,72,000
6	Borsora, South West Khasi Hills	Shri Kynsai Manik Jyrwa	24.07.2020	53,15,000 (4)	17,71,667	3	17,71,667	53,15,001
7	Bagli, South West Khasi Hills	Shri Sunolsing M. Sangma	23.01.2020	2,11,22,018 (3)	70,40,673	3	35,00,000	1,76,22,019 ⁴⁶
Total								9,48,54,906

It is seen from **Table 4.3.2** that failure of the Department to realise the annual fees on time as per the lease agreement of seven weighbridges has resulted in non-realisation of ₹ 9.49 crore.

On this being pointed out (September 2022), the Deputy Secretary to GoM, Transport Department stated (January 2023) that the Department has recovered an amount of ₹ 1.38 crore in full in respect of three weighbridges, *i.e.*, (i) Umling (Entry) Ri-Bhoi (ii) Umling (Exit) Ri-Bhoi and (iii) Killing, Ri-Bhoi, while in respect of other three weighbridges *viz.*, (i) 8th Mile (Phramer), (ii) Borsora and (iii) Bagli, the licensees have only made partial payment of ₹ 2.79 crore. In respect of Majai, East Khasi Hills, the outstanding amount was not paid. However, no proof of payment (e.g. like payment challan/cheque, *etc.*) has been furnished in support of such receipts (January 2023).

4.3.1.2 Non-realisation of annual fees of ₹ 10.13 crore due to non-operationalisation of four weighbridges within stipulated timeframe

Four other weighbridges, namely (i) Wageasi, North Garo Hills (ii) Ratacherra, East Jaintia Hills (iii) Tikrikilla, West Garo Hills and (iv) Masighat, South Garo Hills, were yet to be made operational (January 2023) even after 10-11 months of signing the agreement though the weighbridges were required to be made operational within three months of signing the agreement. Despite breach of the agreement by these three licensees, the Transport Department neither terminated their contracts and blacklisted them as provided in the agreement nor did it take steps to allot the weighbridges to the next highest bidder. The inaction of the Transport Department therefore resulted in non-realisation of annual fees amounting to ₹ 10.13 crore from these licensees as shown in **Table 4.3.3**:

⁴⁴ Shri Bastad Mawlong had earlier executed a lease for the same weighbridge on 05.10.2016, which was renewed on 28.10.2019 after expiry of 3 years.

⁴⁵ This includes ₹ 38,12,547/- pertaining to two instalments outstanding from previous lease period.

⁴⁶ The licensee had earlier made partial payment of ₹ 35 lakhs.

Table 4.3.3: Details of non-realisation of annual fees

Sl. No.	Name of the Weighbridge	Name of the Licensee	Date of Agreement	Fixed Annual fees (₹)	Annual Fees per instalment ⁴⁷ (₹)	No. of instalments due as of January 2022	Non-realisation of Annual fees (₹)
1.	Wageasi, North Garo Hills	Shri Bathrinson B. Marak	15.01.2021	2,00,00,000	66,66,667	3	2,00,00,000
2.	Ratacherra, East Jaintia Hills	Shri Karbar Langbha Pajuh	18.02.2021	5,83,00,000	1,94,33,333	3	5,83,00,000
3.	Tikkrikilla, West Garo Hills	Smti Sonam Odriyana C.	18.01.2021	80,00,000	26,66,667	3	80,00,000
4.	Masighat, South Garo Hills	Momin		1,50,00,000	50,00,000	3	1,50,00,000
Total							10,13,00,000

It is seen from **Table 4.3.3** that due to non-operationalisation of four weighbridges even after three months of signing the agreement, Government had failed to realise annual fees to the tune of ₹ 10.13 crore.

On this being pointed out (September 2022), the Transport Department attributed (January 2023) reasons like weighment bridges being constructed at wrong location, non-availability of necessary devices to start operations and delay in receipt of completion report, *etc.* for non-operationalisation of the four weighment bridges.

4.3.1.3 Agreement not signed after completion of bidding process resulting in loss of revenue to the tune of ₹ 1.69 crore

In response to the NIT dated 13 August 2019 issued by the Transport Department, five bidders submitted their bids for setting up and operation of weighbridge at Bajengdoba, North Garo Hills district. After scrutiny of the bid documents, the Tender Committee rejected two bidders and accepted three other bids for opening their financial bids. Based on evaluation of the financial bids, the Tender Committee recommended (31 October 2019) Shri Walison A. Sangma, being the highest bidder, at his quoted rate of ₹ 75 lakh per *annum*. However, even after more than 25 months from the date of recommendation/approval by the Tender Committee, neither the contract agreement was entered into with the selected licensee nor had any fee been realised from this weighbridge (January 2022), reasons for which were not found on record. Thus, the failure of the Department in taking timely action to execute agreement with the successful bidder led to potential loss of revenue of ₹ 1.69 crore⁴⁸ from unrealised annual fee.

The Department stated (January 2023) that the highest bidder, Shri. Walison A. Sangma, was requested to submit a completion report of the weighbridge in April 2022, however, no response was received till date. Due to this, the agreement could not be executed. The Department further stated that the Government has approved to requisite the weighbridge of another individual, Shri Chintu G. Momin, whose weighbridge will be ready for operation after installation of certain devices such as CCTV and other requirement, which are under construction.

⁴⁷ In three equal installments (First installment is equivalent to four months).

⁴⁸ Annual fee of ₹ 75,00,000 per year x two years + ₹ 6,25,000 per month x 3 months = ₹ 1,68,75,000 (calculated for the period between 31 October 2019 to 31 January 2022).

The reply of the Department indicates that the Department had not exercised due diligence while granting the lease to the licensee as provided under Rule 5 and 6 of the Meghalaya Installation, Regulation, Maintenance and Operation of Weighbridge Rules, 2009, which provides that in considering the grant of permission, the Commissioner of Transport should satisfy himself that the proposed place for installing and operation of the weighbridge on National Highway/State PWD road should have fulfilled the conditions of adequate parking space to avoid traffic congestion and that the proposed location is consistent with public safety and convenience. The reply also indicates absence of monitoring on the part of the Department on construction and related activities in order to make the weighbridges operational within the stipulated timeframe.

Thus, failure of the Transport Department to exercise due diligence while selecting the lessee had resulted in non-realisation of annual fees amounting to ₹ 10.13 crore.

4.3.2 Loss of revenue of ₹ 2.44 crore due to under-reporting of vehicles

As per the agreement, the licensees shall pay to the Government in addition to the agreed annual fee, weighment fee to the tune of 50 *per cent* of the monthly total weighment fee collected. Vide notification dated 20 January 2015, the State Government fixed the rate of weighment fee per vehicle as detailed in **Table 4.3.4**.

Table 4.3.4: Rate of weighment fee per vehicle

Sl. No.	Type of vehicle	Rate of weighment fee per vehicle
1.	Light Motor Vehicle	₹ 100
2.	Medium Motor Vehicle	₹ 150
3.	Heavy Motor Vehicle	₹ 200

Scrutiny (December 2021) of records submitted by the licensees to the office of the CoT revealed that during 2019-20 and 2020-21, a total of 1,41,575 trucks were reported to have passed through Amsarin and Majai weighment gates (35,241 and 80,862 trucks during 2019-20 and 514 and 24,958 trucks during 2020-21 respectively).

Audit cross-examined records of the two weighment gates with the check-gates of the Land Customs Stations (LCS) stationed at the same location/ route and found that the number of trucks weighed at these weighbridges as per CoT records were less compared to the number of trucks recorded as per the LCS records by 2,43,656 trucks as detailed in **Table 4.3.5**.

Table 4.3.5: Details of under reporting on No. of trucks

Sl. No.	Location of the weighbridge	Year	No. of trucks weighed as per CoT	No. of trucks as per LCS	Under reporting on no. of trucks (5-4)
(1)	(2)	(3)	(4)	(5)	(6)
1.	Amsarin (Dawki)	2019-20	35,241	1,38,084	1,02,843
		2020-21	514	1,09,143	1,08,629
2.	Majai (Bholaganj)	2019-20	80,862 ⁴⁹	92,832	11,970
		2020-21	24,958	45,172	20,214
Total			1,41,575	3,85,231	2,43,656

Source: Records of CoT and LCS.

⁴⁹ Others (stone/boulder).

Rule 9 of the Rules *ibid* stipulates that each weighbridge including private weighbridges permitted by the Government shall be supervised by an Enforcement Inspector who will check and ensure that no vehicle carries weight above the permissible limits as fixed by the competent authority under the relevant law made from time to time and contravention of these limits shall attract penalty as provided in Section 194 of the Motor Vehicles Act. However, audit did not find any record to evidence that each of the two weighbridges had regularly been supervised by an Enforcement Inspector as envisaged in the Rules *ibid*. Thus, failure of the CoT to ensure regular monitoring of the two weighbridges encouraged the licensees to under-report the quantum of trucks passing through the weighbridges, which remained undetected and ultimately resulted in loss of weighment fee amounting to ₹ 2.44 crore⁵⁰.

Apart from loss of Government revenue, the under-reporting of trucks passing through these weighment bridges indicated that the Transport Department failed to monitor the movement of overloaded trucks, thus defeating the very purpose of setting up the weighment bridges. Reason for the same is yet to be received from the CoT, though called for in April 2022.

From the above it can be seen that the Transport Department had failed to exercise due diligence in the selection of licensees for the weighbridges, ensure functioning of all the weighbridges and also failed to realise the annual fees on time. This resulted in non-realisation of revenue amounting to ₹ 23.75 crore⁵¹ and defeated the objective of setting up the weighbridges to detect and prevent overloading by goods transport vehicles.

⁵⁰ 2,43,656 trucks x ₹ 200 per truck x 50 per cent.

⁵¹ ₹ 9.49 crore + ₹ 10.13 crore + ₹ 1.69 crore + ₹ 2.44 = ₹ 23.75 crore.