CHAPTER – VI

TRANSPORT DEPARTMENT

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6.1 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 10 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 or annually. Further, there is provision for levy and collection of fines for various offences, which are imposed under the respective Acts and Rules.

The Commissioner and Secretary to Government of Meghalaya, Transport Department is the overall charge of the Transport Department at the Government level. The Commissioner of Transport (CoT) is the administrative head of the Department who is assisted by Deputy Commissioner of Transport, Assistant Commissioner of Transport, District Transport Officers (Enforcement), 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.

6.2 Results of Audit

No compliance audit was planned for Transport Department during 2023-24. During the year 2023-24, recovery amounting to ₹2.82 crore was made at the instance of audit in respect of 11 cases. The recovered amount pertains to cases held under objection from years preceding 2023-24 as detailed below:

Table 6.2.1: Results of Audit conducted during 2023-24

(₹ in crore)

Sl. No.	Category	No. of Cases	Amount
1	Short/non-collection of revenue	01	1.78
2	Non-levy of revenue	04	0.18
3	Loss of revenue	03	0.09
4	Other irregularities	03	0.77
Total		**11**	**2.82**

A Performance Audit on Functioning of Regional Transport Offices in Meghalaya was conducted during 2023-24. The audit findings are discussed in the following paragraphs:

6.3 Performance Audit on Functioning of Regional Transport Offices

AUDIT SNAPSHOT

Audit Focus	Key Findings
 **Major Initiatives by GoI and State Government**	Launch of **SARATHI 4.0** for issuing driving and learner licenses, and **VAHAN 4.0** for vehicle registration, permits, taxation, and fitness services under the e-Transport Mission Mode Project. Initiation of the establishment of model **Automated Inspection and Certification (AIC) Centre** to enhance vehicle fitness assessment infrastructure.
 **Implementation of MV Acts & Rules on licenses**	Lapses in the licensing process, including issuance of driving licenses without mandatory tests, after expiry of learner licenses, and before completion of the mandatory 30-day holding period. Significant delays were also observed in the renewal of licenses.
 **Regulation and control on registration, permit and fitness of vehicles**	Audit observed multiple violations in vehicle registration and fitness processes, including registration of vehicles with out-of-jurisdiction addresses, operation of vehicles with expired temporary registrations, and continued use of government vehicles beyond 15 years without deregistration. Transport vehicles were found plying without valid permits and fitness certificates.
 **Revenue Management**	Audit revealed significant arrears in Motor Vehicle Tax collection, with no enforcement action taken against defaulters. Fines for non-compliance remained unrecovered, and registration certificate fees were short levied.
 **Deficiency in Enforcement of MV Acts & Rules**	Lack of action against vehicles with expired fitness, permits, insurance, and pollution certificates. Fitness tests were conducted without adequate infrastructure, out-of-state vehicles were registered without valid NOCs, while delays in constructing the AIC Centre hindered proper inspection systems. The Transport Department also failed to implement any of the 17 road safety measures directed by the Supreme Court Committee on Road Safety (SCCRS).
 **Deficiency in management of manpower and equipment**	Audit highlighted a 28 *per cent* vacancy in sanctioned posts, with key enforcement roles like Enforcement Inspectors and Motor Vehicle Inspectors remaining unfilled. Additionally, absence of essential enforcement tools such as government vehicles, body-worn cameras, seizure spaces at weighbridges, and breath analysers was observed.
 **Overall Impact**	The audit revealed systemic lapses in the Transport Department's functioning, including weak enforcement, poor compliance monitoring, and significant revenue losses. Overall, the Department fell short in effectively enforcing motor vehicle laws.

6.3.1 Introduction

The Motor Vehicles Act, 1988 was enacted by the Parliament which provides for the rules governing the issuing of licenses to drivers of motor vehicles, issue of license to conductors of stage carriages, registration of motor vehicles, issue of various types of permits, *etc*. As per the Government of India (Allocation of Business) Rules, 1961, the Ministry of Road Transport & Highways (MoRTH), Government of India is responsible for formulation of broad policies relating to road transport and enforcement of Motor Vehicles Act, 1988 and Central Motor Vehicles Rules, 1989. Rule 68 of the Motor Vehicles Act mandated establishment of State Transport Authorities across India. The taxation on the vehicles as mentioned in the concurrent list is also included in the State List II[145].

[145] Entry number 57.

The Transport Department, Government of Meghalaya (GoM) is responsible for the enforcement of the Motor Vehicle Rules and collection of tax, levies, cess, *etc*. The functioning of the Transport Department is governed by the provisions of the Motor Vehicle Act, 1988, the Assam Motor Vehicles Taxation Act, 1936 (as adapted by Government of Meghalaya) and the rules made thereunder. As on 31 March 2024, there are 12 Regional Transport Offices[146] (RTOs) known as District Transport Offices (DTOs) in Meghalaya under the Transport Department. The key responsibilities of DTOs in Meghalaya are given in **Figure 1**.

Figure 1: Key responsibilities of DTOs

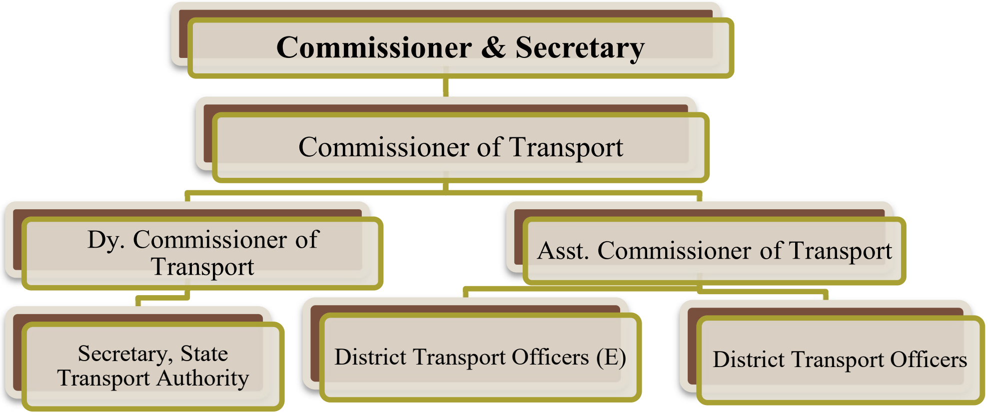
The Ministry of Road Transport and Highways (MoRTH) and GoM have launched several initiatives to modernise RTOs, enhance service quality, and improve the transport sector efficiency. Some of the notable initiatives are the introduction of two flagship applications under the e-Transport Mission Mode Project *viz.*, SARATHI and VAHAN applications. SARATHI is a one-stop solution for issuance of Driving License, Learner License and related services while VAHAN handles Vehicle Registration, Permit, Taxation, Fitness and allied processes. The latest versions, SARATHI 4.0 and VAHAN 4.0 were launched on 02 June 2015 which is currently being implemented in all 12 RTOs, in the State of Meghalaya.

6.3.2 Organisational Setup

The organisational set up of the Transport Department, GoM is as depicted in **Chart 6.3.1**.

[146] (i) West Jaintia Hills, Jowai, (ii) East Khasi Hills, Shillong, (iii) West Khasi Hills (Nongstoin), (iv) East Garo Hills (Williamnagar), (v) West Garo Hills (Tura), (vi) South Garo Hills (Baghmara), (vii) Ri-bhoi (Nongpoh), (viii) East Jaintia Hills (Khliehriat), (ix) South-west Khasi Hills (Mawkyrwat), (x) North Garo Hills (Resubelpara), (xi) South-west Garo Hills (Ampati), and (xii) Eastern-West Khasi Hills (Mairang).

Chart 6.3.1: Organisational set up



6.3.3 Audit Objectives

The objectives of Performance Audit (PA) on the functioning of DTOs were to assess whether:

- DTOs managed the issue, renewal and cancellation of licenses effectively as per the Act/ Rules;
- Regulation and control over registration and use of vehicles through registration, issuing permits and fitness certificates was implemented by DTOs as per the Act/Rules;
- DTOs efficiently assessed, levied, collected and remitted revenue (Motor vehicle taxes, fines, penalties, cess, *etc.* as per Act/Rules) and took effective action on arrears;
- Enforcement activities were effectively conducted by DTOs to ensure compliance to the motor vehicles Acts/Rules with adequate follow up to deter violations; and
- DTOs have been provided with required manpower, equipment, and other resources to discharge the mandate so as to ensure public service delivery in a transparent and efficient manner.

6.3.4 Audit Criteria

Audit findings were benchmarked against the criteria contained in the following documents:

- The Motor Vehicles (MV) Act, 1988.
- Central Motor Vehicles Rules (CMVR), 1989.
- Central Motor Vehicles (First Amendment) Rules, 2023.
- Meghalaya Vehicle Taxation Act (Assam Act of 1936).
- Motor Vehicle Aggregators Guidelines, 2020.
- Meghalaya Taxi Aggregator Operational Rules, 2020.
- Meghalaya Financial Rules (MFR), 1984.
- Motor Vehicles (High Security Registration Plates) Order, 2001.
- Meghalaya Installation, Regulation, Maintenance and Operation of Weighbridge (MIRMOW) Rules, 2009.
- Rules/Direction for setting up of Private Auto Emission Testing Stations.
- Rules/Notifications issued by the MoRTH, Government of India and Government of Meghalaya from time to time.

6.3.5 Audit Scope and Methodology

The Performance Audit was conducted during June to September 2024 on the functioning of DTOs covering the period from 2019-20 to 2023-24. The PA dealt with aspects relating to issue of learners and driving licences, registration of vehicles, issue of permits and fitness certificates, Motor vehicle taxes, fines, penalties, cess and enforcement activities. The records maintained by the Transport Department, Office of Commissioner of Transport, State Transport Authority (STA), three[147] out of 12 DTOs selected for detailed examination through Stratified Random Sampling Without Replacement Method, and e-Challans issued by the Police Department were reviewed. Joint Physical Verification (JPV) of three testing grounds[148] and seven weighbridges[149] was also carried out. Audit included analysis of the data/records, raising of audit queries, interaction with the personnel of the audited entities.

Audit commenced with Entry Conference (25 June 2024) with the representatives of Transport Department wherein Audit scope and objectives, audit criteria, *etc*. were explained. Exit Conference was held on 25 March 2025 with the Secretary, Transport Department and the Commissioner of Transport and replies & comments received were duly incorporated in the Report.

6.3.6 Overview of Operational Performance

(i) The number of Transport and non-Transport vehicles registered in the State during 2019-20 to 2023-24 was as given in **Table 6.3.1**.

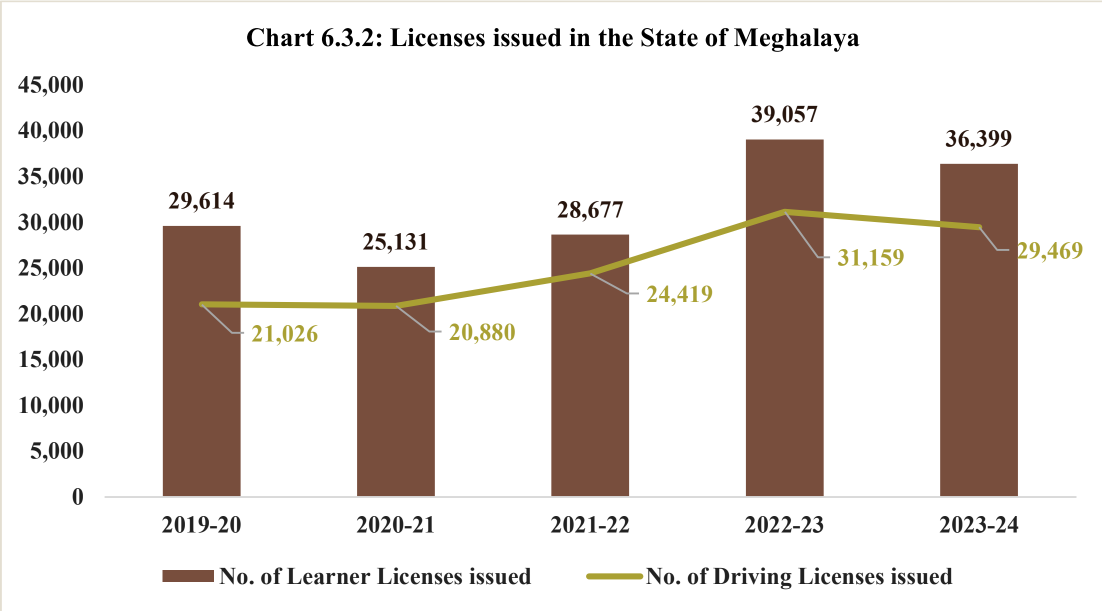
Table 6.3.1: Details of vehicles registered in the State of Meghalaya

Year	No. of Transport vehicles[150]	No. of non-Transport vehicles[151]	Total
2019-20	7,252	26,782	**34,034**
2020-21	3,471	19,457	**22,928**
2021-22	4,420	21,695	**26,115**
2022-23	7,031	29,626	**36,657**
2023-24	8,106	34,382	**42,488**
Total	**30,280**	**1,31,942**	**1,62,222**

Source: As per VAHAN database

147 DTO, Mawkyrwat, DTO Khliehriat, and DTO, Tura.
148 Testing grounds at Mawkyrwat, Khliehriat and Tura.
149 Borsora (South West Khasi Hills), Bagli (South West Khasi Hills), Cherragaon (South West Khasi Hills), Ratacherra (East Jaintia Hills), Dalu (West Garo Hills), Dhanua (West Garo Hills) and Trikikila (West Garo Hills).
150 (i) Bus, (ii) Educational institute bus, (iii) e-Rickshaw with cart (goods), (iv) e-Rickshaw (passenger), (v) Goods carrier, (vi) Maxi cab, (vii) Motor cab, (viii) Motor cycle/Scooter – side car (T), (ix) Motor cycle/Scooter used for hire, (x) Omni bus (xi) Omni bus (private use), (xii) Private service vehicle (bus), (xiii) Private service vehicle (bus-individual), (xiv) Three-wheeler (goods), (xv) Three-wheeler (passenger), (xvi) Tractor (commercial), (xvii) Trailer (commercial), (xviii) Vehicle fitted with generator (police vehicle).
151 (i) Agricultural tractors, (ii) Ambulance, (iii) Articulated vehicle (earth moving machine), (iv) Breakdown van, (v) Camper van/Trailer (private use), (vi) Construction equipment vehicles, (vii) Crane mounted vehicles, (viii) Dumper, (ix) Earth moving equipment, (x) Excavators, (xi) Fire fighting vehicles, (xii) Fire tender, (xiii) Fork lift, (xiv) Hearses, (xv) M-cycle/Scooter, (xvi) Motorcycle/ Scooter with side car, (xvii) Moped, (xviii) Mobile clinic, (xix) Mobile workshop, (xx) Motor car, (xxi) Motorised Cycle (25 cc), (xxii) Power tiller, (xxiii) Recovery van, (xxiv) Road rollers, (xxv) Three-wheelers (personal), (xxvi) Trailer (Agricultural), (xxvii) Trailer for personal use, (xxviii) Tree trimming vehicle, and (xxix) Vehicle fitted with compressor (grader/loader).

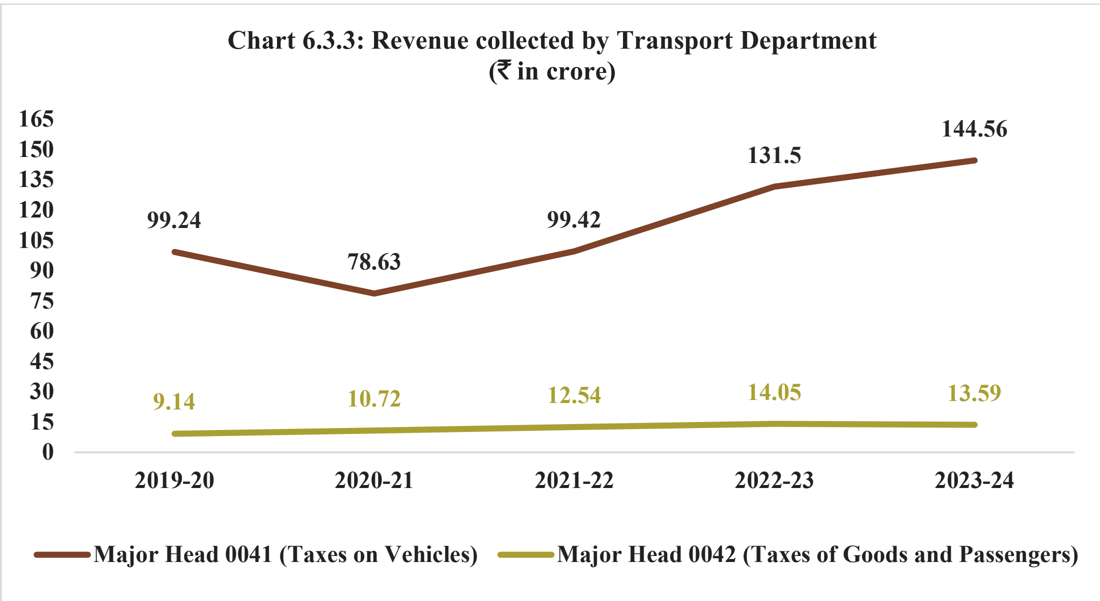
(ii) The number of Learner Licenses and Driving Licenses issued in the State during the period 2019-20 to 2023-24 was given in **Chart 6.3.2**.



Source: As per SARATHI database.

(iii) The revenue earned by the Transport Department is derived mainly from registration of vehicles and issue of licences in the form of road tax, fees and fines. In addition, revenue is also derived in the form of annual fees from the weighbridges and concession fees from the affixation of High Security Registration Plates (HSRPs).

The year-wise realisation of the Motor Vehicle Receipts by the Transport Department during the period from 2019-20 to 2023-24 was as given in **Chart 6.3.3**.



Source: Finance Accounts of the respective years.

6.3.7 Acknowledgement

The Office of the Principal Accountant General (Audit), Meghalaya acknowledges the co-operation of the Transport Department, Office of Commissioner of Transport, State Transport Authority (STA), three test checked DTOs[152] and Police Department in providing necessary information and records during the conduct of the Performance Audit.

6.3.8 Audit Findings

The Audit findings are discussed in the succeeding paragraphs:

Audit Objective 1: *Whether RTOs managed the issue, renewal and cancellation of licenses effectively as per the Act/ Rules.*

6.3.8.1 Irregularities in issue of learner license and driving license

As per Rule 11 of the Central Motor Vehicle Rules (CMVR), 1989, every applicant for a learner's licence should present oneself before the licensing authority on such date, place and time, as the licensing authority may appoint, for a test. Rule 15 (2) of the Rules *ibid* stipulated that the test of competence to drive should be conducted by the licensing authority or such other person as may be authorised in this behalf by the State Government in a vehicle of the type to which the application related. Section 14 of the Motor Vehicles Act, 1988 stipulated that a learner's licence should be effective for a period of six months from the date of issue of the licence.

Rule 14 (1) (a) of the CMVR, 1989 stated that application for a driving licence should be accompanied by an effective learner's licence to drive the vehicle of the type to which the application related. Further, as per Section 9 (3) of the MV Act, 1988 driving license shall be granted if the applicant passes the driving competence test.

Analysis of the SARATHI database for the period 2019-20 to 2023-24 showed that details of driving test conducted in 24,562 (15.46 *per cent*) out of 1,58,878 Learner License cases and 19,557 (15.40 *per cent*) out of 1,26,953 Driving License cases were not available in the database. As a result, Audit could not draw an assurance to the fact that the licenses were issued only after testing the driving skills of the applicants, as required under the Rules *ibid*.

Further, as per Form 2[153] and Form 4[154], the Motor Vehicle Inspector (MVI) were required to fill details of test carried out before the issue of learner's licence and driving license. Scrutiny of 90 learner licenses and 90 driving licenses in the three test-checked DTOs[155] showed that in all the 90 learner licenses and 90 driving licenses issued, no details of the tests carried out were recorded by the MVI in the above-mentioned forms.

Further scrutiny of the SARATHI database for the period 2019-20 to 2023-24 showed that 27,979 driver licenses were issued after the expiry of validity (6 months) of learners' licenses, with delays ranging between 184 and 2,027 days (more than five years) in violation of Section 14 of the MV Act ,1988 and Rule 14 (1) (a) CMVR, 1989.

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[152] DTO, Mawkyrwat, DTO Khliehriat, and DTO, Tura.
[153] Application Form of the learner licenses.
[154] Application Form of the driving license.
[155] DTO Mawkyrwat, DTO Khliehriat and DTO Tura.

Thus, it was evident that licenses were issued to the applicants even though the latter did not undergo the mandatory theoretical and practical driving tests and after the expiry of the validity of learners' license. This undermined the licensing process and compromise the standards of road safety and driving competence in compliance to legal requirement.

During exit meeting (March 2025), the Department accepted the audit observation. Further, the Commissioner of Transport (CoT) stated (May 2025) that instructions had been issued to all DTOs to take corrective measures and ensure no driver/learner license is issued without conducting test.

6.3.8.2 Issue of driving license in violations of Central Motor Vehicle Rules

As per Rule 15 (1) of the Central Motor Vehicle Rules (CMVR), 1989, no person shall appear for the test of competence to drive unless he has held a learner's licence for a period of at least 30 days.

Scrutiny of SARATHI database showed that 6,060 driving licenses were issued within 30 days of issue of learner licenses during the period 2019-20 to 2023-24. Out of 6,060 driving licenses, 30 driving licenses and the learner's license were issued on the same day.

The DTOs concerned failed to exercise this vital check before issue of DL to the applicants. This holds significance as minimum 30-day interval between the issuance of a learner's license and the test of competence for driving license has been prescribed to ensure that applicants acquire adequate driving experience and competence. The premature issuance of driving licenses compromised road safety by allowing inexperienced individuals to operate vehicles in public in violation of Central Motor Vehicle Rules (CMVR), 1989.

During exit meeting (March 2025) the Department while accepting the audit observation, assured that the Department's database will be cross verified with NIC. The same response was furnished by the CoT (May 2025).

6.3.8.3 Issue of driving license in violations of Meghalaya Right to Public Services Act, 2020

As per Section 3 (1) of the Meghalaya Right to Public Services Act (MRPSA), 2020, every citizen shall have the right to obtain citizen related services in Meghalaya as notified under sub-section (2) of Section 3 of the Act. Further, Meghalaya Right to Public Services Rules (MRPSR), 2021 stipulated the following timelines for number of working days within which the service should be delivered to the citizens after receipt of their applications:

Issuance of Learner's License
- **7 days**

Issuance of Permanent Driving License
- **30 days**

Renewal of Permanent Driving License
- **10 days**

The details of issue of learner's license, driving license and renewal of driving license from the date the Rules *ibid* came into force (29 January 2021) to 31 March 2024 in the State as well as in the test-checked DTOs are as given in **Table 6.3.2**.

Table 6.3.2: Details of delay in service delivery

Sl. No.	Type of services	Nos. issued/ renewed	Nos. issued/ renewed with delays	No. of days taken for service delivery	Delays in the test-checked DTOs	
					DTOs	Cases
1.	Issuance of Learner's Driving License	1,06,488	49,991 (46.94 *per cent*)	8 to 335	Khliehriat	1,134
					Mawkyrwat	1,349
					Tura	9,637
					Total	**12,120**
2.	Issuance of Permanent Driving License	1,06,905	24,663 (23.07 *per cent*)	31 to 352	Khliehriat	565
					Mawkyrwat	560
					Tura	4,530
					Total	**5,655**
3.	Renewal of Permanent Driving License	38,053	4,128 (10.85 *per cent*)	11 to 1,028	Khliehriat	13
					Mawkyrwat	160
					Tura	1,482
					Total	**1,655**

Source: SARATHI database

From **Table 6.3.2**, it may be seen that there were significant delays in service delivery during 2020-21 to 2023-24. Learner's Licenses were issued beyond the stipulated seven-day period in up to 47 *per cent* of the cases, with the time taken ranging from 8 to 335 days. Driving Licenses exceeded the 30-day timeframe in up to 23 *per cent* of the cases, with time taken for service delivery ranging between 31 and 352 days. Similarly, time taken for renewals of Driving Licenses exceeded the prescribed service delivery period in up to 11 *per cent* of the cases with time taken for the same ranged between 11 and 1,028 days.

Out of the total delays in service deliveries, the three test-checked DTOs accounted for 12,120 cases (24 *per cent*) of delayed learner's license issuance, 5,655 cases (23 *per cent*) of delayed permanent driving license issuance, and 1,655 cases (40 *per cent*) of delayed permanent driving license renewals.

During exit meeting (March 2025) the Department stated that remedial measures would be taken.

Recommendation: *The Department may develop an SOP for service delivery, sensitise staff for compliance, and establish a monitoring mechanism to review adherence, identify lapses, and implement corrective actions across DTOs.*

6.3.8.4 Lack of monitoring for the Driving Schools

Rule 27 of Central Motor Vehicle Rules (CMVR), 1989 stipulated, among other requirements, that the holder of a licence granted to Driving School under Rule 24 shall maintain on an annual basis, a register in Form 14 for recording alphabetical list of the names of the students admitted during the year {Rule 27 (a)}, issue to every student who has completed the course a certificate in Form 5 {Rule 27 (d)}, keep the premises of the school or establishment and the record and registers maintained by it at all reasonable times open for inspection by the licensing authority or by any person authorised in this behalf by the licensing authority {Rule 27 (g)}and maintain a record separately for each trainee showing the number of driving hours spent every day in Form 15 {Rule 27 (i)}.

Further, as per Rule 28 of Central Motor Vehicle Rules (CMVR), 1989, if the licensing authority which granted the licence is satisfied, after giving the holder of the licence an opportunity of being heard, that he has violated any other provision of Rule 27, it may suspend the licence for a specified period or revoke the licence.

Analysis of SARATHI database showed that there were 10 Driving Schools registered in Meghalaya under four DTOs[156]. During JPV (September 2024) of two Driving Schools, it was observed that the schools did not maintain a register in Form 14 for list of admissions during the year, certificates issued to every student who has completed the course in Form 5 and separate record for each trainee showing the number of driving hours spent every day in Form 15.

There was nothing on record to suggest that the DTOs concerned inspected the driving schools as a result of which, licenses of the schools who did not maintain mandated records could not be suspended/ revoked as required under Rule 28 of Central Motor Vehicle Rules (CMVR), 1989.

During exit meeting (March 2025), the Secretary advised the Department to take up the matter with driving schools and conduct field inspections across all DTOs in the State. The CoT further added (May 2025) that in order to address lack of monitoring of Driving Schools; an order has been issued for field inspections of all District Transport Offices across the State.

Recommendation: *Monitoring mechanism needs to be strengthened, and an SOP be prescribed clearly defining the duration of such inspections.*

Conclusion:

Audit scrutiny revealed significant systemic shortcomings in the management of learner and driving license issuance by the Regional Transport Offices (RTOs). Widespread non-compliance with statutory requirements was observed, including issuing licenses without mandated driving tests or after learner license expiry, and premature issuance in violation of minimum experience rules. Service delivery was also marred by substantial delays, undermining citizens' rights under the Meghalaya Right to Public Services Act. Further, monitoring of licensed driving schools was inadequate, with DTOs failing to enforce basic record-keeping requirements and inspection obligations. These deficiencies collectively compromise the integrity of the licensing system, reduce road safety, and erode public confidence. Audit recommends the Transport Department adopt comprehensive standard operating procedures, strengthen monitoring mechanisms, ensure strict rule compliance, and establish effective accountability systems across all District Transport Offices.

[156] Ri-Bhoi, Jowai, Shillong and Tura.

Audit Objective 2: *Whether regulation and control over registration and use of vehicles through registration, issuing permits and fitness certificates was implemented by RTOs as per the Act/Rules.*

6.3.8.5 Registration of vehicles from outside the jurisdiction

Section 40 of the Motor Vehicle (MV) Act, 1988 required that every owner of a motor vehicle should cause the vehicle to be registered by a registering authority in whose jurisdiction he had the residence or place of business or where the vehicle is normally kept. For registration of vehicles, *inter alia*, a valid proof of address was mandatory.

Analysis of the VAHAN database showed that in 11 DTOs, 854 vehicles were registered during 2019-2024 with addresses of the owners from outside the State[157] as per details given in **Table 6.3.3**.

Table 6.3.3: Vehicles registered with address of the owners from outside the State

Sl. No.	Jurisdictional DTOs	No. of cases
1	DTO, Ampati	205
2	DTO, Baghmara	06
3	DTO, Jowai	20
4	DTO, Khliehriat	05
5	DTO, Mawkyrwat	01
6	DTO, Nongpoh	66
7	DTO, Nongstoin	05
8	DTO, Resubelpara	122
9	DTO, Shillong	122
10	DTO, Tura	283
11	DTO, Williamnagar	19
Total		**854**

Source: VAHAN database.

The registration of 854 vehicles by DTOs in Meghalaya with owners' address from outside the State, in violation of the MV Act, highlighted serious lapses in compliance and oversight functions of the Department.

Audit further observed that in 497 cases, the vehicles were registered after 31 to 2667 days from the date of their purchase. Moreover, the fitness validity (15 years) of these vehicles were calculated from the date of registration instead of from the date of purchase. This effectively meant that the owners of these vehicles were allowed to ply the vehicles for more than 15 years, eight extra years (2667 days) in the case of a vehicle[158] registered by DTO Ampati, Southwest Garo Hills (ML14), for payment of a meagre fine (₹ 1221 in the referred case).

Registration of vehicles with out-of-jurisdiction addresses not only facilitates tax evasion but also raises concerns about the whereabouts and activities engaged by the vehicles during the prolonged unregistered period. Possibility of misuse of the vehicles for unlawful activities

[157] Nagaland, Assam, Haryana, Manipur, Arunachal Pradesh, Tamil Nadu, Jharkhand, Bihar, Tripura, Kerala, Odisha, Uttarakhand, Punjab, Gujarat, Delhi, Jammu, Lakshadweep, Uttar Pradesh, West Bengal, Rajasthan and Maharashtra.

[158] ML14 6712.

cannot be ruled out. These irregularities highlight enforcement and verification lapses, undermining the reliability and authenticity of the registration process of the Transport Department.

During exit meeting (March 2025) the Department assured that the matter would be examined and a reply would be furnished. The CoT stated (May 2025) that instructions had been issued to all DTOs to register vehicles strictly as per the owner's residential address, in compliance with the Motor Vehicles Act, 1988.

Recommendation: *The Transport Department should mandate strict verification of owners' address proof during vehicle registration by implementing a standardised, auditable checklist for all DTOs, and should introduce periodic compliance audits to ensure registrations are made strictly within the jurisdiction as per Section 40 of the Motor Vehicles Act, 1988.*

6.3.8.6 Vehicles plying with Temporary Registrations

Section 43 of Motor Vehicle (MV) Act, 1988 stipulated that temporary registration shall be valid only for a period not exceeding one month and shall not be renewable. Further, Section 39 of the MV Act, 1988 stated that no person shall drive any motor vehicle unless the vehicle is registered. The Transport Department levies a one-time tax[159] on personalised vehicles during registration which is valid for 10 years. Vehicles without registration are liable to pay fine of ₹ 5000 under Section 192 of the MV Act, 1988.

Audit noticed that 522 vehicles in VAHAN database having temporary registration in the State had not been registered with permanent registration as of 31 March 2024. The temporary registrations of vehicles are valid only for one month as per Section 43 of MV Act, 1988. However, the range of expiry of the temporary registration of 522 vehicles were from 36 to 1,828 days. These vehicle owners were liable to pay one-time motor vehicle tax including fines for plying the vehicles without permanent registration as per MV Act.

Thus, non-registration of 522 vehicles led to loss of revenue due to non-levy of motor vehicle taxes amounting to ₹ 0.99 crore[160] along with applicable fines amounting to ₹ 0.26 crore[161]. This not only led to non-levy of applicable taxes but also prevented the DTOs from exercising regulatory oversight and tracking of vehicles when needed by the public authorities.

[159] **For four wheelers** (four *per cent* of the original cost up to ₹ 3.00 lakh, six *per cent* of the original cost above ₹ 3.00 lakh, eight *per cent* of the original cost above ₹ 15 lakh and 10 *per cent* of the original cost above ₹ 20 lakh). **For two and three wheelers** the rate up to 02 February 2021 - ₹ 1,100 for less than 65 Kgs unladen weight, ₹ 1,800 from 65 Kgs to 90 Kgs unladen weight, ₹ 2,500 from 90 Kgs to 135 Kgs, ₹ 2,990 for more than 135 Kgs, ₹ 2,500 for three-wheeler. *W.e.f.* 03 February 2021, the rates have been enhanced to ₹ 3,500, ₹ 5,500 and three *per cent* respectively depending on the original cost of the vehicle. **For trailer/side cars** the rate was ₹ 630 which was enhanced to ₹ 800 from 03 February 2021.

[160] Minimum rate has been considered for (i) personalised two wheelers, (ii) passenger vehicles (two and three wheelers) and (iii) vehicles used for carriage of goods as specific information like unladen weight and carrying capacity to apply the applicable tax slab are not available in the data.

[161] 522 vehicles x ₹ 5,000 per vehicle as fines.

The CoT stated (November 2024) that instructions will be issued to all DTOs to convert all temporary registration to permanent registration as required as per Motor Vehicle Acts and Rules.

During exit meeting (March 2025) the Secretary, while agreeing to the audit observation, advised the Department to re-verify and trace chassis numbers for cross-verification by RTOs to identify vehicles with temporary registration in Meghalaya.

6.3.8.7 Lapse of registration of Government Vehicle

As per Rule No. 52A of Central Motor Vehicles (First Amendment) Rules, 2023, the certificate of registration in respect of Government motor vehicle[162] shall expire after the lapse of 15 years from the date of initial registration of the vehicle. After 15 years, these government vehicles must be disposed of through an authorised Vehicle Scrapping Facility, in line with the rules for scrapping vehicles as per Rule 52A(2) of the Central Motor Vehicles (First Amendment) Rules, 2023.

Audit scrutiny of VAHAN database showed that there were 116 vehicles belonging to different departments of GoM, whose Registration Certificates (RC) had crossed 15 years. These vehicles though reflected as 'Active' in the VAHAN portal have not conducted any fitness test or paid any tax. Operating Government vehicles with expired registrations not only contravened Rule 52A (2) of the Central Motor Vehicles (First Amendment) Rules, 2023 but also indicated weaknesses in enforcement mechanism in the State.

During exit meeting (March 2025) the Secretary stated that the Department has formulated a Scrapping Policy, which is yet to be notified. He assured that vehicles over 15 years old will no longer be permitted for re-registration in the State. The CoT stated (May 2025) that the Government is in the final stages of finalising a Vehicle Scrappage Policy.

Recommendation: *The formulation of the vehicle scrapping policy for both Government and public vehicles including transport vehicle should be expedited. Once in place the same should be strictly adhered to by the Department.*

6.3.8.8 Registration of Vehicles from outside the State without NOC

Section 47 (1) (i) of the Motor Vehicle Act, 1988 states that when a motor vehicle registered in one State is kept in another State, for a period exceeding twelve months, the owner of the vehicle shall apply to the registering authority, within whose jurisdiction the vehicle then is, for the assignment of a new registration mark and shall present the certificate of registration to that registering authority, accompanied by a No Objection Certificate (NOC) obtained under Section 48 (1) of the Act *ibid*.

[162] Owned by the Central Government, the State Government or Union Territory administrations, Municipal Corporation or Municipality or Panchayat, a State Transport Undertaking established under the Road Transport Corporation Act, 1950 and the Companies Act, 2013, a Public sector undertaking, an autonomous body owned or controlled by the Central Government or the State Government.

Audit scrutiny revealed that 201 vehicles were brought into the State of Meghalaya from neighbouring States, *viz.*, Nagaland, Arunachal Pradesh, Manipur, Mizoram and Assam during the period from 2019-20 to 2023-24. Examination of the VAHAN database revealed that none of these vehicles had the requisite NOC from their respective original States of registration.

In the absence of NOCs, it is unclear how the DTOs ensured the legitimacy of these vehicles. The lack of NOC raises critical concerns regarding potential instances of theft vehicle or vehicles used in unauthorised operations being brought into the State. This indicates a significant lapse in internal control and oversight mechanisms within the Transport Department.

Further examination of the 201 vehicles revealed the following:

(i) 23 vehicle owners defaulted on road tax payments,

(ii) 50 goods/passenger vehicles operated without permits, and

(iii) 10 transport vehicles lacked valid fitness certificates.

These findings suggest systemic weaknesses in enforcement and compliance monitoring, potentially leading to revenue loss, safety hazards, and legal infractions.

Recommendation: *The Department may sensitise and train the staff of DTOs on the statutory requirements related to inter-state vehicle transfers, including the mandatory procurement and verification of NOCs under Section 48 of the Motor Vehicles Act, 1988.*

6.3.8.9 Transport vehicles without valid permits and fitness certificates

As per Section 66 of the Motor Vehicle (MV) Act, 1988, no owner of a motor vehicle shall use or permit the use of the vehicle as a transport vehicle in any public place except in accordance with the permit granted or countersigned by a Regional or State Transport Authority.

Further, Section 56 of the Act *ibid*, stated that a transport vehicle should not be deemed to be validly registered unless it carries a certificate of fitness in such form containing such particulars and information as may be prescribed by the Central Government, issued by the prescribed authority, or by an authorised testing station.

In Meghalaya, the validity of fitness certificates is given in **Table 6.3.4**.

Table 6.3.4: Validity of Fitness Certificates in Meghalaya

Types of vehicles	Validity
Non-transport vehicles (Agricultural Tractors and construction equipment vehicles)	15 years for new vehicles. Thereafter, fitness is to be done for every five years.
Transport Vehicles (Medium and heavy goods vehicles, and medium and heavy passenger vehicles)	Two years for vehicles up to eight years old, and one year for vehicles older than eight years.

Scrutiny of VAHAN database for vehicles registered during January 2009 to March 2024 showed that transport vehicles were operating with expired permits and fitness certificates as of March 2024, as detailed in **Table 6.3.5**.

Table 6.3.5: Transport vehicles operating with expired permits and fitness certificates

<table>
<tr><th rowspan="2">Sl. No.</th><th colspan="2">Expired Permits</th><th colspan="2">Expired Fitness Certificates</th></tr>
<tr><th>Type of permits</th><th>No. of transport vehicles with expired permits (Range of expiry up to March 2024)</th><th>Types of vehicles</th><th>No. of vehicles with expired fitness (Range of expiry up to March 2024)</th></tr>
<tr><td rowspan="4">1</td><td rowspan="4">Contract Carriage Permit</td><td rowspan="4">5,892 (2 to 5,204 days)</td><td colspan="2">Non-transport vehicles</td></tr>
<tr><td>Crane Mounted Vehicle</td><td>10 (46 to 1682 days)</td></tr>
<tr><td>Earth moving equipment</td><td>1 (468 days)</td></tr>
<tr><td>Excavator</td><td>6 (1045 to 1795 days)</td></tr>
<tr><td rowspan="4">2</td><td rowspan="4">Goods Permit</td><td rowspan="4">4,251 (2 to 4,719 days)</td><td>Sub-total</td><td>17 (46 to 1795 days)</td></tr>
<tr><td colspan="2">Transport vehicles</td></tr>
<tr><td>Bus</td><td>289 (1 to 1810 days)</td></tr>
<tr><td>Educational Institution Bus</td><td>14 (1 to 1587 days)</td></tr>
<tr><td rowspan="4">3</td><td rowspan="4">Stage Carriage Permit</td><td rowspan="4">219 (9 to 3,053 days)</td><td>Omni Bus</td><td>1 (1264 days)</td></tr>
<tr><td>Goods Carrier</td><td>7484 (1 to 1826 days)</td></tr>
<tr><td>Maxi Cab</td><td>621 (3 to 1823 days)</td></tr>
<tr><td>Motor Cab</td><td>2013 (1 to 1826 days</td></tr>
<tr><td rowspan="4">4</td><td rowspan="4">Tourist Permit</td><td rowspan="4">1053 (1 to 2,567 days)</td><td>Three wheelers (Goods)</td><td>92 (17 to 1821 days)</td></tr>
<tr><td>Three wheelers (Passenger)</td><td>2137 (2 to 1825 days)</td></tr>
<tr><td>Trailer (Commercial)</td><td>41 (30 to 1823 days)</td></tr>
<tr><td>Sub-total</td><td>12,692 (1 to 1826 days)</td></tr>
<tr><td colspan="2">Total</td><td>11,415</td><td>-</td><td>12,746</td></tr>
</table>

Source: VAHAN database.

As may be seen from the table above, 11,415 transport vehicles are operating with expired permits, with expiry periods ranging from 1 to 5,204 days. Additionally, 12,746 vehicles had expired fitness certificates lapsed for durations between 1 and 1,826 days, in violation of Sections 56 and 66 of the Motor Vehicles Act, 1988. This indicated that the vehicles were used for transporting goods and passengers without valid permits or fitness certificates, highlighting significant enforcement lapses in the DTOs. Moreover, operating vehicles without valid fitness certificates also poses serious risks to passenger safety.

It was further seen that in 608 of cases, the vehicle owners had deposited MV Tax after expiry of the Fitness certificate, however, the DTOs concerned did not ensure that fitness test was conducted and fitness fee and applicable fine, if any, were deposited before collecting the MV Tax.

During exit meeting (March 2025), while accepting the audit observation, the Department assured that the issue would be examined and response would be furnished. The CoT stated (May 2025) that instructions had been issued to all DTOs and the STA to strictly monitor vehicles violating the provisions of the Motor Vehicles Act, 1988.

Recommendation: *The Department may conduct awareness programmes for taxi drivers, bus operators, truck associations, and tourist transport providers about the legal consequences of operating with expired permits and fitness.*

6.3.8.10 Renewal of Fitness Certificates

(i) No testing ground for fitness tests

Rule 62 of the Central Motor Vehicle Rules (CMVR), 1989 stipulated that the renewal of a fitness certificate shall be made only after the Inspecting Officer has carried the specified tests like Braking system, Exhaust emission, Steering gear, Dashboard equipment, *etc*. Further, Section 56 (2) of the Motor Vehicle Amendment Act, 2019 stipulated that an authorised testing station means any facility, including automated testing facilities, authorised by the State Government, where fitness testing may be conducted in accordance with the rules made by the Central Government for recognition, regulation and control of such stations.

Scrutiny of VAHAN database showed that the DTOs in Meghalaya had renewed 80,756 number of Fitness Certificates of transport vehicles during the period 2019-20 to 2023-24. In the three test-checked DTOs fitness certificates were issued as detailed in **Table 6.3.6**.

Table 6.3.6: Fitness certificates issued in the test-checked DTOs

Sl. No.	Test-checked DTOs	Vehicle category	No. of fitness certificates issued
1.	Khliehriat	Light, Medium and Heavy Goods vehicles	1540
		Light, Medium and Heavy Passenger vehicles	679
		Three wheelers (Goods & Passenger)	140
		Category and vehicle class left blank in VAHAN	42
		Sub-total	**2401**
2.	Mawkyrwat	Light, Medium and Heavy Goods vehicles	1023
		Light, Medium and Heavy Passenger vehicles	672
		Three wheelers (Goods & Passenger)	64
		Category and vehicle class left blank in VAHAN	06
		Sub-total	**1765**
3.	Tura	Light, Medium and Heavy Goods vehicles	3835
		Light, Medium and Heavy Passenger vehicles	2566
		Three wheelers (Goods & Passenger)	271
		Category and vehicle class left blank in VAHAN	35
		Sub-total	**6707**
		Grand Total	**10,873**

During joint physical verification (July to September 2024), it was seen that in three test-checked DTOs, there were no designated testing grounds or Automated[163] Testing Stations to test the fitness and road worthiness of vehicles.

During exit meeting (March 2025), while accepting the audit observation, the Secretary/ Department stated that the Automated Testing Station is at the final stage of completion.

Joint physical verification confirmed the absence of such facilities in all three test-checked DTOs, indicating systemic non-compliance with statutory requirements for safety testing. This raises serious concerns about the roadworthiness of transport vehicles certified as fit without undergoing proper inspections, undermining public safety and the integrity of the vehicle fitness certification process.

Recommendation: *The Transport Department should operationalise fully equipped Automated Testing Stations in all District Transport Offices without delay and mandate that no fitness certificate be renewed without comprehensive, documented testing as prescribed under CMVR, 1989 to ensure vehicle roadworthiness and public safety.*

[163] Automated Testing Station (ATS) is a facility for testing fitness of vehicles without manual intervention.

(ii) Delay in issue of fitness certificates

Meghalaya Right to Public Services Rules (MRPSR), 2021 stipulated a timeline for issue of fitness certificates to be 15 days.

Scrutiny of VAHAN database showed that out of 80,756 Fitness Certificates issued to transport vehicles during the period 2019-20 to 2023-24, 4,928 (6.10 *per cent*) certificates were issued after 16 to 227 days from the date of application, in contravention of the MRPSR, 2021. Consequently, such conditions forced the vehicle owners to operate with expired FCs compromising on the safety of the vehicles.

During exit meeting (March 2025), the Department stated that the matter will be examined and reply would be furnished. The CoT stated (May 2025) that the issuance process would be expedited upon completion of the Automated Testing Centre.

6.3.8.11 Delay in construction of Automated Inspection and Certification Centre

To enhance the vehicle inspection system in India, the Government of India (GoI) initiated the establishment of a model Automated Inspection and Certification (AIC) Centre in each State (April 2018) to conduct motor vehicle fitness tests to ensure roadworthiness, environmental compliance, and vehicle safety while reducing traffic accidents and improving air quality.

A tripartite Memorandum of Understanding (MoU) was made in June 2021 with the Ministry of Road Transport and Highway (MoRTH), GoI, Transport Department and the International Centre for Automotive Technology (iCAT), Manesar, Haryana as the Implementing Agency for setting up of AIC at Sawlad, Law-U-SIB, Shillong, Meghalaya. The roles of GoI, GoM and iCAT are detailed in **Table 6.3.7**.

Table 6.3.7: Details of roles of GoI, GoM and the Executing Agency

Authority	Roles
GoI (MoRTH)	**Funding Support**: (i) Provide up to ₹ 13.51 crore plus applicable taxes for the project. (ii) Cover costs of building construction, equipment for 2 lanes, software, initial two-year operations, and six monitoring audits. **Project Oversight**: (i) Release funds in phases aligned with project milestones, (ii) Review project implementation status regularly. **Regulatory Amendments**: (i) Make necessary amendments to Central Motor Vehicle Rules, 1989 to facilitate inspection and emission tests. **Identify Initial Operator**: Appoint an agency for operating the center for the first two years.
GoM (Transport Department)	**Land and Infrastructure**: (i) Provide 3 acres of encumbrance-free land in Shillong. (ii) Bear cost of land development and ensure availability of utilities (roads, electricity, water, drainage, telephone, *etc*.). **Civil Works**: (i) Prepare bid documents and execute civil construction, including utility installations, (ii) Select a qualified firm for timely construction. **Support and Authorisation**: (i) Supervise civil works with iCAT consultation, (ii) Authorise the center as an "Authorised Testing Station" under MV Act, and (iii) Provide vehicles for commissioning and ensure enough vehicles are available for testing. **Post-Handover Responsibility**: (i) Operate the center after initial two years, either departmentally or via a selected private operator, (ii) Bear any additional costs beyond ₹13.51 crore. **Operations and Maintenance**: Collect test fees, issue fitness certificates, provide trained staff, housekeeping, and maintenance services.
Executing Agency (iCAT)	**Technical Consultancy**: (i) Act as facilitator and technical consultant for establishing the center, and (ii) Prepare master plan and layout in consultation with Transport Department, Meghalaya. **Supervision and Support**: (i) Review site readiness, supervise equipment installation, calibration, automation, and two-year operation, and (ii) Ensure testing aligns with regulations and monitor center operator performance. **Knowledge Transfer**: (i) Create an operations manual for post-handover running, (ii) Conduct six audits in two years and submit reports to MoRTH, and (iii) Provide MoRTH and Transport Department, Meghalaya with operational data from the center.

For execution of the work for setting up of the AIC, GoM selected Meghalaya Urban Development Authority (MUDA) as the Implementing Agency on 22 September 2021.

The approved cost of the project was ₹ 13.76 crore, of which ₹ 13.51 crore to be borne by GoI and ₹ 0.25 crore was to be borne by GoM. MoRTH released (December 2021) an amount of ₹ 1.50 crore to Commissioner of Transport (CoT) as first instalment and the schedule date of completion of the project as stipulated by MoRTH was December 2022 *i.e.* 12 months from the release of first instalment.

However, Audit observed that work orders were issued by MUDA to two contractors in June 2022 and December 2023 after six months of release of the first instalment as detailed in **Table 6.3.8.**

Table 6.3.8: Details of work orders issued by MUDA

Sl. No.	Contractors	Work allotted	Date of work order
1.	Shri Kitbok Warbah & Shri Mankhraw B. Nongrum	Construction of main building including earthwork, septic tank and plumbing of the AIC (Group I)	29 June 2022
2.	Shri Commander Slong	Construction of internal road (metalling & black topping) including earthwork, earth filling, breast wall, retaining wall, compound wall, cement concrete drain & R.C.C. drain cover, catch pit, open drain, hume pipe of the AIC (Group - II).	27 June 2022 and 21 December 2023

Second instalment of ₹ 3.20 crore was released in February 2024 by MoRTH to CoT after a lapse of more than two years.

A total of ₹ 4.70 crore sanctioned by GoI has been released for execution of the work of setting up of AIC as detailed below:

Table 6.3.9: Details of release of funds by CoT for AIC

Sl. No.	Date of release of funds by CoT	Name of the Agency	Purpose	Amount (₹ in crore)
1	20.06.2022	FAWSDESIGN ARCHITECHTS	Consultancy	0.21
2	12.08.2022	MUDA	Setting up of AIC	1.00
3	09.01.2023	MUDA		0.29
4	28.06.2024	MUDA		2.00
5	06.11.2024	MUDA		1.20
Total				**4.70**

As per progress report submitted by CoT to MoRTH (January 2024), the structural works including installation of roof panels, laying of pipes and drainage, *etc.* was completed except for firefighting, water storage tank and installation of doors and windows. The civil work component was in progress and was expected to be completed by March 2025. Hence, even after lapse of more than two years since the release of 1st instalment by MoRTH (December 2021) the work is not complete. Despite the delays in progress of works, there were no records to indicate monitoring done by CoT or quarterly progress reports submitted to GoI as required as per the sanction order of GoI.

During JPV of the AIC centre, it was observed that the civil works and approach road of the AIC centre was yet to be completed as of September 2024 as can be seen from **Picture 1** and **Picture 2.**

Picture 1: *The civil works for construction of AIC centre were yet to be completed.*

Picture 2: *The approach road of the AIC centre was yet to be completed.*

The expected revenue generation from operations of Inspection and Certification Centre as per the project report was ₹ 5.29 crore for 2022-23 and ₹ 5.66 crore for 2023-24. Thus, due to delay in completion of the AIC centre, no revenue had been generated till September 2024 even after more than two years of schedule date of completion. Thus, the objective of actual roadworthiness, environment compliance, vehicle safety by conducting vehicle inspection and certification and issue and renewal of fitness certificate of vehicles could not be achieved.

During exit meeting (March 2025), the Department stated that UCs have been submitted to the GoI for release of the remaining funds to complete the AIC Centre. The work is ongoing, with some expenses to be funded by the State Government. Audit would be informed upon completion and operation of the Centre.

Recommendation: *The Department must ensure that the AIC centre becomes fully operational within a defined timeline and is adequately staffed, maintained, and equipped to carry out inspection and certification as envisaged under the Act and Rules. This will not only contribute to safer roads and cleaner air but also boost State revenues through sustained operations of the testing centre.*

Conclusion: Audit found widespread weaknesses in Meghalaya's enforcement of the Motor Vehicles Act, including out-of-jurisdiction registrations, misuse of temporary registrations, unsafely extended use of government vehicles, and many transport vehicles without valid permits or fitness certificates. Fitness renewals often occurred without proper testing facilities. Delays in setting up the Automated Inspection Centre reflected poor planning and oversight. These systemic lapses show inadequate controls and weak monitoring by DTOs, undermining road safety, revenue collection, and environmental compliance. The Transport Department must strengthen verification, upgrade infrastructure, and enforce rules rigorously.

Audit Objective 3: *Whether RTOs efficiently assessed, levied, collected and remitted revenue (Motor vehicle taxes, fines, penalties, cess, etc. as per Act/Rules) and took effective action on arrears.*

6.3.8.12 Motor vehicle tax

As per Section 5A of Meghalaya Vehicle Taxation Act (Assam Act of 1936), every owner of a registered vehicle is liable to pay road tax in advance either annually or quarterly in four equal instalments. Accordingly, the Transport Department notified (November 2018 and February 2021) the rates of taxes for different types of vehicles. The penalty for delay in payment of tax is levied at the rate of ₹ 70/- in case of Heavy Motor Vehicles and Medium Motor Vehicles and ₹ 35/- in case of Light Motor Vehicles. The Transport Department had also fixed the rates of issue of Registration Certificates to be ₹ 600 per non-transport vehicle and ₹ 1,000 per transport vehicle.

In case of failure to pay the arrear road tax within the stipulated time, the following action can be taken such as suspension of RC of Motor Vehicle under Section 53 of the MV Act, seizure and detention until such time as the entire amount of tax is paid as per Section 9-B of the Meghalaya Motor Vehicles Taxation (Amendment) Act, 1999 can be taken by the DTOs.

Audit observations on assessment and collection of motor vehicle taxes are discussed in the following paragraphs:

(i) Non-levy of Motor Vehicle Tax

Scrutiny of VAHAN database showed that 61,037 vehicle owners, both transport and non-transport, had defaulted on payment of MV Tax as on 31 March 2024. The period of default ranged between 1 day and 5,563 days (more than 15 years). The amount of tax remaining un-paid as per VAHAN database stood at ₹ 91.31 crore.

Out of the total 61,037 cases, 11,011 cases with ₹ 17.87 crore in defaulted tax fell under the jurisdiction of the three test-checked DTOs as detailed in **Table 6.3.10**.

Table 6.3.10: Non-levy of MV Tax in the test-checked DTOs

(₹ in lakh)

Sl. No.	Test-checked DTOs	Vehicle Class	No. of defaulting vehicles	Amount of defaulted tax as per VAHAN
Non-transport vehicles				
1	Khliehriat	Motor Car	31	2.20
2	Mawkyrwat	Motor Car	50	3.49
		M-cycle/Scooter	02	0.03
3	Tura	Motor Car	456	37.21
		M-cycle/Scooter	302	6.34
Sub-total			**840**	**49.27**
Transport Vehicles				
4	Khliehriat	Buses	10	3.80
		Maxi/motor Cabs	182	30.11
		Maxi/motor Cabs	106	NA was stated and only fine of ₹0.04 mentioned.
		Goods carrier	847	238.99
		Tractor (Commercial)	10	0.51

Sl. No.	Test-checked DTOs	Vehicle Class	No. of defaulting vehicles	Amount of defaulted tax as per VAHAN
5	Mawkyrwat	Buses	03	1.03
		Maxi/motor Cabs	94	14.98
		Maxi/motor Cabs	29	NA (₹0.01 as fine)
		Goods carrier	289	72.94
		Tractor (Commercial)	04	0.17
		Three-wheeler (passenger)	01	0.10
6	Tura	Buses	253	106.23
			01	NA (₹0.0007 as fine)
		Maxi/motor Cabs	245	58.91
		Maxi/motor Cabs	19	NA (₹0.007 as fine)
		Goods carrier	2475	564.05
		Tractor (Commercial)	34	1.82
		Three-wheeler (passenger)	5484	636.30
		Three-wheeler (goods)	85	8.04
Sub-total			**10,171**	**1738.04**
Total			**11,011**	**1787.31**

Out of the above 11,011 cases, 40 cases pertaining to non-transport vehicles, and 138 cases pertaining to transport vehicles were test checked individually from the vehicle history of the VAHAN portal to check the latest status of payment.

Audit scrutiny revealed large-scale failure by the Transport Department to enforce collection of Motor Vehicle Tax in Meghalaya. As of 31 March 2024, 61,037 vehicle owners had defaulted on tax payment for periods ranging from 1 day to over 15 years, resulting in unpaid tax dues of ₹ 91.31 crore according to the VAHAN database. In the three test-checked DTOs alone, 11,011 defaulting vehicles accounted for ₹ 17.87 crore in arrears. The analysis also highlighted significant outstanding dues among both non-transport and transport vehicles, including motor cars, buses, cabs, goods carriers, and three-wheelers.

This extensive non-compliance reflects serious lapses in monitoring, enforcement, and recovery mechanisms, undermining the State's revenue base and regulatory control over vehicle operations. Audit recommends that the Transport Department urgently strengthen its tax collection systems, implement periodic compliance checks, and establish strict penalty enforcement to recover arrears and prevent recurrence.

An illustration of the test checked cases is given below:

a. Non-transport Vehicles

- Eight vehicles that had defaulted on payment as of March 2024 has paid the MV tax between September 2024 and April 2025 amounting to ₹ 0.50 lakh. 24 vehicles did not pay the defaulted tax as of April 2025.
- Data inconsistencies were noticed in eight cases, *viz.*, (i) period of tax arrear did not match the tax paid date, and (ii) three-wheeler (passenger) vehicles was shown as M-cycle/Scooter in the data and payment of tax was made for 10 years as personalised vehicles. Six out of seven three wheelers did not pay any permit fees.

b. Transport Vehicles

- Six vehicles that had defaulted payment as of March 2024 has paid the MV tax between August 2024 and January 2025 amounting to ₹ 1.62 lakh. 131 vehicles had not paid the defaulted tax as of April 2025.
- Out of 138 test-checked vehicles, only six vehicles had valid permits to operate the vehicles for various transport purposes. While 106 vehicles did not have permits, 26 vehicles either had expired permits or expired temporary permits.
- Out of 138 vehicles only five vehicles had valid fitness certificates. While 95 vehicles had expired fitness, 38 vehicles never had the fitness of their vehicles tested.
- Payment of Passenger/goods taxes was made up-to-date only in two cases while 20 cases were not paid up to date[164]. 116 vehicles did not pay any passenger/goods taxes at all.
- Test-check of 10 cases where 'NA' was written in the space provided for recording the tax arrears amount showed that all the 10 vehicles have defaulted on MV tax payments on dates as stated in the data with an effective range from October 2014 to December 2024 (more than 10 years), and there is no history of tax exemption for these vehicles.
- Data inconsistencies were noticed in one case where tax was paid only up to September 2016 but the data showed tax default only from July 2019.

Further, test check of records of three DTOs[165] (September 2024) showed that there were no records maintained to indicate that these vehicles were off-road. Despite information being available with these DTOs, no action was taken as per Section 53 of MV Act, 1988 to suspend the RCs of vehicles and Section 9-B of the Meghalaya Motor Vehicles Taxation (Amendment) Act, 1999 to seize and detain till the time the entire amount of tax is paid. The DTOs had not issued notices to these vehicle owners for payment of road tax as per Section 5A of Meghalaya Vehicle Taxation Act (Assam Act of 1936).

Audit also observed that though 61,037 vehicles defaulted MV tax payments, fine of ₹ 35/₹ 70 was not featured in the 'tax arrears fine' column of the data in 44,421 cases which comprise of 3,072 heavy/medium motor vehicles and 41,349 light motor vehicles. This omission may lead to potential non-collection of fine amounting to ₹ 16.62[166] lakh when the owner come to clear the tax dues.

Thus, the DTOs failed to collect the MV tax due from 61,023[167] defaulters which stands at ₹ 91.29[168] crore as of April 2025. Test checks revealed persistent non-payment, data inconsistencies, missing fines, and vehicles operating without valid permits or fitness certificates. Despite having this information, DTOs failed to issue notices or enforce legal measures like suspension or seizure, reflecting systemic weaknesses in monitoring, data management, and revenue enforcement.

[164] Not paid up-to-date means lapsed validity.
[165] DTO, Mawkyrwat, DTO, Khliehriat, and DTO, Tura.
[166] 3072 vehicles x ₹70 = ₹ 2,15,040 + 41,349 vehicles x ₹35 = ₹ 16,62,255.
[167] Minus 14 cases where payment has been made out of the test-checked cases.
[168] Minus ₹ 2,11,456 paid by 14 vehicle owners out of the test checked cases.

During exit meeting (March 2025), the Department stated that tax on vehicles over 15 years cannot be removed from the database unless condemned. Tax is payable even if vehicles are off-road. Notices will be issued to owners of such vehicles to clear dues and condemn them; failure to comply will result in show cause notices.

(ii) Short levy of fees for issue of registration certificates

The rates for issue of Registration Certificates were ₹ 300 for motorcycle, ₹ 300 for three wheelers/light motor vehicles, ₹ 600 per non-transport vehicle and ₹ 1,000 per transport vehicle as fixed by Transport Department, Government of Meghalaya on November 2018[169] are as follows:

Table 6.3.11: Rates for issue of Registration Certificate

Sl. No.	Types of vehicles[170]	Rates
1	Two-wheelers	300
2	Three and four wheelers (private)	600
3	Three and four wheelers (passenger)	1,000
4	Light/medium goods vehicles	1,000
5	Light/medium/omni/deluxe buses and All Meghalaya super deluxe contract	1,500
6	Heavy goods vehicles	1,500
7	Light tractor	300
8	Medium tractor	400
9	Heavy tractor	600
10	Ambulance	200
11	All other vehicles not mentioned above (Camper van, mobile shop/clinic, Dumper, Excavator, Earth mover, *etc.*)	600

Analysis of VAHAN database showed that 45,509 vehicles has applied for new registration certificates during 2019-20 to 2023-24 in Meghalaya. Out of this, 454 vehicles were electric vehicles, which are exempted from payment of registration fees and road tax as per the Meghalaya Electric Vehicle Policy, 2021. Audit noticed that the vehicle class, seating capacity, laden/un-laden weight, *etc.* in respect of 6,323 vehicles was not entered in the data, hence audit could not verify if the registration fee was collected was as per the prescribed rates. From the remaining 38,731 cases, audit noticed that correct rates have been charged in 34,846 cases. Audit notice short/excess levy of registration fees in 3,885 cases as detailed in **Table 6.3.12.**

Table 6.3.12: Discrepancy in levy of registration fees

(Amount in ₹)

Sl. No.	Vehicle Class	No. of vehicles	Rate at which fee was levied	Applicable rate as prescribed	Short fee collected	Excess fee collected
1	Ambulance	53	600	200	-	21,200
2	Bus	39	600	1,500	35,100	-
3	Goods carrier	1,910	600	1,000[171]	7,64,000	-
4	Maxi/Motor cab	1,530	600	1,000	6,12,000	-
5	Three-wheeler (passenger)	353	300/600	1,000	1,42,100	-
Total:		**3,885**	**-**	**-**	**15,53,200**	**21,200**

[169] As displayed in the Department's website.
[170] Only the rates of vehicles present in the data has been included.
[171] Minimum applicable rate of ₹ 1000 has been considered as field showing heavy goods vehicle which is fixed at ₹ 1500 is not available in the data.

From **Table 6.3.12**, it may be seen that there was short levy of registration fee of ₹ 15.53 lakh in 3,832 cases and excess levy amounting to ₹ 0.21 lakh in 53 cases. These discrepancies indicate lapses in internal controls, and non-adherence to notified GoM rates which not only resulted in revenue loss to the State exchequer but also placed an undue financial burden on the vehicle owners.

Thus, effort should be made to recover registration fee short levied, amounting to ₹ 15.53 lakh and refund the excess amount of ₹ 0.21 lakh levied from 3,885 vehicle owners.

During exit meeting (March 2025), the Department stated that Form 23A was issued for Registration Certificates and that a smart card with detailed payment options will be introduced soon. The Department will re-examine the issue after considering feedback from district offices. The same response was furnished by the CoT (May 2025).

Recommendation: *The Transport Department should rectify incomplete VAHAN records, automate fee calculation based on notified rates, recover short-levied amounts, refund excess collections, and strengthen internal controls to prevent recurrence.*

6.3.8.13 Loss of revenue due to non-renewal of expired permits

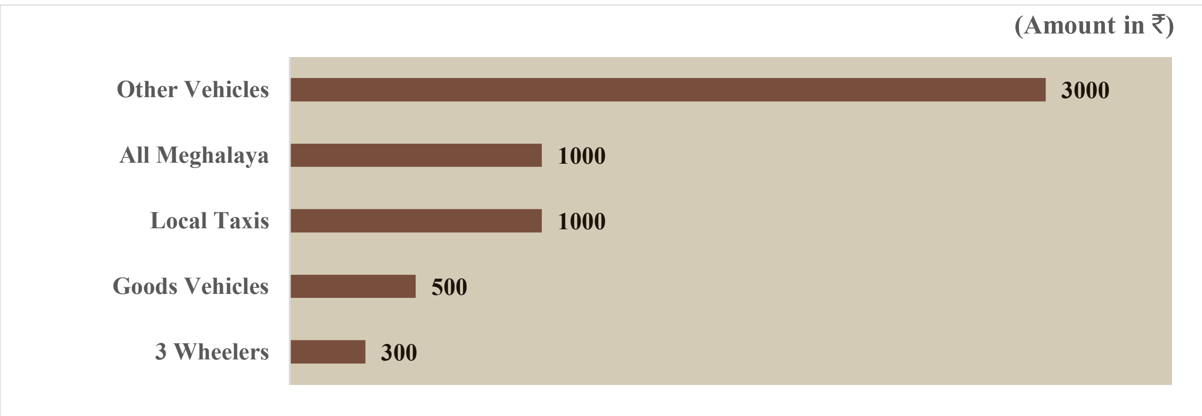
Section 53(1) (b) of the MV Act, 1988 stipulated that if the registering authority or other prescribed authority has reason to believe that any motor vehicle within its jurisdiction has been or is being used for hire or reward without a valid permit for such use , the authority may suspend the certificate of registration of the vehicle for up to four months after giving the owner an opportunity of making representation.

Further, Section 81(1) and (2) of the MV Act, 1988 stipulated that the validity of a commercial permit is five years and may be renewed on an application made not less than 15 days before the date of expiry of the permit.

Further, as per section 56(1) of the Act *ibid*, a transport vehicle is not considered validly registered unless it has a valid certificate of fitness.

The fee of various permits issued for passengers and goods vehicles within the State effective from November 2018 is given in **Chart 6.3.4**.

Chart 6.3.4: Permit Fee by Vehicle Type



Vehicles plying without permit and violating permit conditions are liable to pay ₹ 10,000 penalty *w.e.f.* 01 September 2019.

Scrutiny of the VAHAN database showed that 13,868 permits of commercial vehicles registered in Meghalaya had expired as of 31 March 2024. Consequently, permit fees amounting to ₹ 77.56 lakh was liable to be recovered from these defaulting vehicle owners.

Out of 13,868 vehicle owners, 6,057 defaulters fell under the jurisdiction of three test-checked DTOs as detailed below:

Table 6.3.13: Non-renewal of permits in the test-checked DTOs

(Amount in ₹)

Sl. No.	Test-checked DTOs	Vehicle Class	No. of vehicles	Amount to be collected
1	Khliehriat	3 Wheelers	Nil	-
		Goods Vehicles	141	70,500
		Local Taxis	78	78,000
		Other Vehicles (Buses)	01	3000
2	Mawkyrwat	3 Wheelers	01	300
		Goods Vehicles	146	73,000
		Local Taxis and motor car (contract carriage)	75	75,000
		Other Vehicles (Buses)	03	9,000
3	Tura	3 Wheelers incl M-cycle/Scooter	4,927	14,79,400
		Goods Vehicles	537	2,68,500
		Local Taxis and motor car (contract carriage)	25	25,000
		Other Vehicles (Bus, dumper, tractor)	123	3,64,500
		Total	**6,057**	**24,46,200**

Out of the 6,057 cases mentioned above, a test check of 60 vehicles using the VAHAN portal's vehicle history showed that the owners had also defaulted on MV Tax and Goods and Passenger Tax payments. Further, only one of the 60 vehicles possessed a valid fitness certificate. There were also no records to show that these vehicles were off road.

Audit cross-checked the data relating to vehicles not having permits/ having expired permits with that of the e-Challans issued by the Police Department and noticed that 254 vehicles had been issued Challans between January 2022 to March 2024 for plying without permits.

Although details of these permit defaulters were readily available, no action was taken by the DTOs to get the permit renewed and realise the fees. Thus, an amount of ₹ 77.56 lakh is to be recovered from 13,868 vehicle owners along with penalty of ₹ 13.87 crore[172]. This also pointed towards lack of coordination between the Transport Department and the Police Department.

Audit also noticed that out of 13,686 vehicles with expired permits, 12,490 vehicles also had expired fitness as on 31 March 2024 for a period ranging between 1 and 8,858 days (over 24 years). For example, a passenger bus[173] under DTO Nongstoin had never got the vehicle tested for fitness since 30 December 1999, yet its permit was renewed for the period from 29 November 2013 to 28 November 2018. This shows that the permit was renewed despite the fitness already being expired for over 14 years at the time. No steps were taken by the DTO to get the vehicle tested for fitness even though it was used for public transport, which makes the issue more serious as it posed a clear risk to passenger safety.

[172] 13,868 x ₹ 10,000.
[173] ML06-0375.

Moreover, plying of 12,490 transport vehicles with expired fitness also violated Section 56 of the Motor Vehicles Act, 1988, which requires all transport vehicles to have a valid fitness certificate. The DTO's failure to ensure fitness testing before renewing the permit shows a major lapse in enforcing vehicle safety rules in the State.

During exit meeting (March 2025), the Department stated that that the issuance of permits to commercial vehicles and the collection of permit fees would be examined. Further, the CoT stated (May 2025) that efforts will be made to renew expired permits of all commercial vehicles and recover permit fees and fines from defaulting vehicle owners.

Recommendation: *The Department may consider implementing a system for bulk SMS or WhatsApp notifications to remind vehicle owners of permit renewals, fitness tests, and other required actions related to vehicles on the state. This would improve compliance, strengthen enforcement, besides enhancing revenue collection for the State.*

6.3.8.14 Loss of revenue as fitness fees

Section 56 of the Motor Vehicle (MV) Act, 1988 provided that a transport vehicle shall not be deemed to be validly registered unless it carries a certificate of fitness issued by the prescribed authority. Rule 62(1) of Central Motor Vehicle Rules (CMVR), 1989 stipulated the validity of fitness to be two years for new transport vehicles and thereafter to be renewed annually.

Further, as per Section 5A of Meghalaya Vehicle Taxation Act (Assam Act of 1936), every owner of a registered transport vehicle is liable to pay road tax in advance either annually or quarterly in four equal instalments.

The Transport Department fixed the fee for inspection of fitness of various classes of transport vehicles as given in **Table 6.3.14.**

Table 6.3.14: Fee for inspection of fitness of various classes of transport vehicles

Sl. No.	Type of vehicles	Rates of inspection fee for grant or renewal of certificate of fitness (₹)	
		Manual	Automatic
1	Motorcycle	200	400
2	Three-wheeler or light Motor Vehicle	400	600
3	Medium or Heavy Motor Vehicle	600	1,000

The Transport Department had fixed the rates of grant or renewal of fitness certificates for all motor vehicles to be ₹ 200 per vehicle. An additional fee of ₹ 50 for each day of delay after expiry of certificate of fitness shall be levied.

Using vehicles without a valid fitness certificate is liable to a penalty of ₹ 5,000, effective from 01 September 2019.

Scrutiny of the VAHAN database showed that fitness in respect of 14,416 transport vehicles registered in the State had expired as on 31 March 2024.

Considering a minimum of ₹ 400 inspection fee[174], an amount of ₹ 57.66 lakh had not been realised from these vehicles as inspection fee due to non-conduct of the required fitness inspection. Further, ₹ 28.83 lakh could not be realised for grant/renewal of fitness certificates to these vehicles besides non-levy of ₹ 7.21 crore as penalty for plying of vehicles without valid fitness certificates. The delay in obtaining valid fitness certificates by the defaulters ranged between 01 and 1826 days (more than 5 years), hence, an additional fee @ ₹ 50 per day of delay in obtaining the fitness certificate should also be levied, which stands at ₹ 71.67 crore as of March 2024.

Out of 14,416 vehicles, 3,255 defaulters fell under the jurisdiction of three test-checked DTOs as detailed below:

Table 6.3.15: Non-levy of fees related to issue of FC in the three test-checked DTOs

(Amount in ₹)

Sl. No.	Test-checked DTOs	Vehicle Class	No. of vehicles	Inspection Fee	Fee for grant/ renewal of FC	Penalty	Additional fee of ₹50 per day of delay in obtaining valid FC up to 31 March 2024
1	Khliehriat	Bus/ Omni Bus	03	1,200	600	15,000	2,01,750
		Goods Carrier	397	1,58,800	79,400	19,85,000	1,75,78,200
		Maxi/Motor Cab	113	45,200	22,600	5,65,000	42,31,450
2	Mawkyrwat	Bus	01	400	200	5,000	61,000
		Goods Carrier	142	56,800	28,400	7,10,000	41,90,650
		Maxi/Motor Cab	74	29,600	14,800	3,70,000	29,80,750
3	Tura	Bus	130	52,000	26,000	6,50,000	70,00,450
		Goods Carrier	1,018	4,07,200	2,03,600	50,90,000	4,95,47,100
		Maxi/Motor Cab	92	36,800	18,400	4,60,000	49,99,350
		Three Wheelers (Goods & Passenger)	1,283	5,13,200	2,56,600	64,15,000	8,16,20,200
		Other vehicles[175]	02	800	400	10,000	1,75,700
Total			**3,255**	**13,02,000**	**6,51,000**	**1,62,75,000**	**17,25,86,600**

Out of the 3,255 cases mentioned above, a test check of 60 vehicles using the VAHAN portal's vehicle history showed the following:

- Three vehicle owners have renewed their FCs and fine amounting to ₹ 2.00 lakh has also been paid.
- In 46 cases, FCs have not been renewed till date (April 2025).
- Data inconsistencies were noticed in 10 cases, *viz*., in four cases it was seen that validity of FC was given for two years even though the vehicles were not new transport vehicles, and in six cases the date of validity of the FCs in the data were not as per the latest tests/payments made by the vehicle owners.

Despite the availability of the details of the defaulters in the VAHAN database, the Department failed to ensure renewal of fitness certificates. This also indicated that road safety and

[174] Since the data does not show if the vehicles are light, medium or heavy motor vehicles, the exact rates cannot be applied. There are no motor cycles in the database, hence, minimum of ₹ 400 has been considered.

[175] Private Service vehicle and trailer (commercial).

regulatory compliance were compromised. Hence, the Department should ensure that the database maintained is correct and kept updated. Further, the Department should take necessary steps to recover the inspection fee of ₹ 57.66 lakh, calculated at the minimum rate of ₹ 400, renewal fee of ₹ 28.83 lakh along with penalty of ₹ 78.86 crore[176].

Based on the VAHAN database provided by the Department, audit observed inconsistencies in the levy of MV tax in 6,651 cases involving transport vehicles where owners could choose to pay tax quarterly or annually. MV tax was levied for periods ranging from one day to over 18 years. In the absence of any rule, Audit could not ascertain how the Department determined the tax amount for periods shorter/greater than four months or shorter/greater than one year.

During exit meeting (March 2025), the Department assured that details of fines and fees due and actually collected for Fitness Certificates would be furnished.

Recommendations: *The Department may:*

(i) issue demand notices to the vehicle owners for non-payment of all motor vehicle taxes and fees.

(ii) share the details of defaulting vehicle owners with the Enforcement authorities as well as the Police Department to enforce the penal provisions and recovery of dues.

6.3.8.15 Loss of revenue due to short/non-payment of rates of fixing of HSRP

High-Security Registration Plates (HSRP) in India are specialised license plates that are designed to enhance the security of vehicle registration and reduce vehicle-related crimes such as theft and fraud. HSRPs have security features like holograms, laser-etched codes, and unique identification numbers that make them difficult to tamper with or replace or easier for law enforcement to identify vehicles involved in illegal activities, traffic violations and to locate stolen vehicles.

Section 4 (xc) of the Motor Vehicles (New High Security Registration Plates) Order, 2001 stipulates that all the State Governments should take action to complete the process of implementation of the HSRPs on or before 31 October 2006 in case of newly registered vehicles, and thereafter within a period of two years for already registered vehicles. As per GoM Notification dated 21 April 2017, the rates of HSRP was fixed at ₹ 599 for two-wheelers, ₹ 999 for three-wheelers, and ₹ 1,458 for LMV/passenger car and medium/heavy commercial vehicles/trailer/combination. The rates for HSRP fixation were revised from November 2018 as follows:

[176] ₹ 7.21 crore + ₹ 71.67 crore *minus* ₹ 2.00 lakh (amount paid in the three test-checked cases).

Table 6.3.16: Revised rates for HSNP

Sl. No.	Types for vehicles	Rate for new HSPR	Rate for HSPR (vehicles coming for complete replacement)
1	Four wheelers	1,629	2,443.50
2	2 wheelers	669	1,003.50
3	3 Wheelers	1,116	1,674
4	Tractor	1,288	1,930
5	Trailer	671	1,008

Source: Transport Department website.

Scrutiny of the VAHAN database showed that 1,65,878 vehicles registered in Meghalaya were affixed with High Security Registration Plates (HSRPs) as on 31 March 2024. Of these, only 33,370 vehicle owners were charged with the correct rates. A total of 180 owners short-paid the prescribed rates, resulting in a revenue loss of ₹ 0.93 lakh and 5,907 vehicle owners were charged in excess of the prescribed rates amounting to ₹ 10.22 lakh, causing undue financial burden on the vehicle owners.

For the remaining 1,26,421 vehicles, the amount charged was not mentioned in the database. Of these, 1,26,405 had replaced both HSRP and ₹14.38 crore was leviable but since ‘zero’ was entered in the database, audit could not ascertain if the correct amount was levied. Moreover, 16 vehicles had replaced only the front/rear HSRP, though in the database no amount charged was mentioned, audit observed that the Department had not fixed any rate for replacement of only one side of the plate.

Out of 1,65,878 vehicles, 31,565 vehicles fell under the jurisdiction of three test-checked DTOs as detailed in **Table 6.3.17.**

Table 6.3.17: Discrepancy in payment of HSRP fixation fees in the three test-checked DTOs

(Amount in ₹)

Sl. No.	Test-checked DTOs	Particular	No. of vehicles	Amount
1	Khliehriat	Correct amount	364	-
		Non-levy	4,696	72,47,948
		Excess levy	20	7,433
2	Mawkyrwat	Correct amount	165	-
		Non-levy	1,204	16,93,524
		Short levy	02	1,707
		Excess levy	20	5,746
3	Tura	Correct amount	1,753	-
		Non-levy	23,307	2,20,86,471
		Short levy	05	2,594
		Excess levy	29	12,322
	Total	**-**	**31,565**	**-**

Out of the 31,565 vehicles mentioned above, test check of 60 vehicles using the VAHAN portal’s HSRP Report (Registration Wise) showed that the amount paid by the owners has not been entered into the system even for those cases where payment had been made as featured in the database furnished to Audit. Hence Audit could not verify the accuracy of the payments made.

Audit found significant lapses in the collection of HSRP fees in Meghalaya. Out of 1,65,878 vehicles with HSRPs, many were charged incorrectly or had no recorded payment data, leading to under-collection, overcharging of owners, and unverified revenue of over ₹14 crore. These issues point to poor rate enforcement, weak data management in the VAHAN system, and inconsistent practices across DTOs, undermining both revenue integrity and public trust.

Efforts may be initiated to recover the short-levied HSRP fixation fee of ₹ 0.93 lakh from 180 vehicle owners and to refund the excess amount of ₹ 10.22 lakh collected from 5,907 vehicle owners. Additionally, the Department should review the 1,26,421 cases where a 'zero' fee was recorded, take appropriate action to levy charges where applicable, and update the database accordingly.

During exit meeting (March 2025), while accepting the audit observation, the Department cited constraints in implementing HSRP and added that the issue would be thoroughly examined and reply would be furnished.

Recommendation: *The Department should fix the rates for all types of HSRP fixation and sensitise the staff of the DTOs to charge the vehicle owners with the correct rates.*

6.3.8.16 Non-receipt of bank drafts sent for revalidation

Section 88 of the MV Act, 1988 stipulated that a permit granted in any one State shall not be valid in any other State unless countersigned by the State Transport Authority of that other State. The State Transport Authority (STA), Meghalaya is responsible for issue of National, inter-State and inter-District permits for commercial vehicles on payment of permit fees. The STA, Meghalaya received several bank drafts from STA, Assam for renewal of Inter-State permits.

Audit observed that 1,632 bank drafts amounting to ₹ 67.87 lakh received from STA, Assam pertaining to the period 2019-20 to 2023-24 on various dates for renewal of Inter-State permit were returned back to the STA, Assam for revalidation. This indicates that the DTOs failed to deposit the bank drafts within the validity period which points towards a lackadaisical attitude of the Department. Though the draft were returned to STA, Assam for revalidation, the bank drafts were neither received back after re-validation, nor did the STA, Meghalaya initiate any follow up action to get back the revalidated bank drafts. Thus, revenue of ₹ 67.87 lakh on renewal fees for Inter-State permits were yet to be realised till March 2024.

As a result, the renewal of corresponding Inter-State permits likely remained pending, affecting service delivery and revenue collection.

During exit meeting (March 2025), the State Government/Department acknowledged the issue and stated that banks refused to accept lapsed bank drafts received from STA Assam. The Department would take appropriate action and request STA Assam to issue valid drafts. Further, the CoT stated (May 2025) that a request for issuing fresh drafts had been forwarded to the STA, Assam (February 2025).

Recommendation: *The Department may fix responsibility on the officials who failed to carry out their duties of depositing the bank drafts within the validity period and take necessary actions to recover the amount from STA, Assam.*

Conclusion: Audit revealed systemic weaknesses in the Transport Department's management of revenue collection in Meghalaya. Serious lapses were observed in assessing, levying, and collecting motor vehicle taxes, permit fees, fitness fees, and High Security Registration Plate charges. Issues included widespread tax arrears, incorrect fee application, non-renewal of permits, uncollected fitness fees and penalties, and failure to deposit bank drafts on time. These failures reflect poor enforcement, data management, and coordination, resulting in significant revenue loss and undermining the State's ability to regulate transport operations effectively.

Audit Objective 4: *Whether enforcement activities were effectively conducted by RTOs to ensure compliance with the motor vehicles Acts/Rules with adequate follow up to deter violations.*

6.3.8.17 Enforcement Activities by Transport Department

Enforcement Inspectors (EIs) of the Transport Department have a range of responsibilities and enforcement duties[177] aimed at ensuring compliance with motor vehicle laws, regulations, and road safety standards. Enforcement module was one of the main module of the VAHAN application introduced by GoI.

Audit observed that as on September 2024, the Enforcement module was yet to be implemented by Transport Department. The Department stated (August 2024) that the data relating to E-Challans issued for traffic violations and other offenses along with fines and penalties imposed from vehicle owners is currently available with the Home Police Department.

Analysis of the VAHAN database showed that 2,36,065 vehicles registered in the State were in default as on 31 March 2024, due to reasons such as non-payment of tax, expired fitness and permits, lack of pollution certificates, and expired insurance. The details are summarised in **Table 6.3.18**.

[177] Checking Vehicle Documents, Enforcement of Road Safety Rules, Inspection of Vehicle Permits, Imposing Fines for Violations, Ensuring Compliance with HSRP Regulations, Overseeing Pollution Control, Seizing Non-Compliant Vehicles, Weighbridge Operations, Reporting and Record-Keeping, Collaboration with Police and Other Agencies, Vehicle Fitness Testing, Enforcing Overloading Rules, Checking for Expired Insurance and Tax Defaulters and Public Safety and Awareness Campaigns.

Table 6.3.18: Details of penalties not checked by EIs

Sl. No.	Particulars	No. of vehicles	Sections of penalty as per MV Act, 1988	Minimum Rate of penalty (₹)	Amount of penalty (₹ in crore)
1	Tax Defaulters	65,354[178]	Section 192	5,000	32.68
2	Expired Fitness	14,416	Section 192	5,000	7.21[179]
3	Expired Permit	13,868	Section 192A	10,000	13.87[180]
4	No pollution certificate	2,807	Section 190 (2)	10,000	2.81
5	Expired Insurance	1,39,620	Section 196	2,000	27.92
Total		**2,36,065**	**-**	**-**	**84.49**

Source: VAHAN database.

The data indicates a significant lapse of enforcement activities in the State which could be attributed to non-implementation of the Enforcement Module. Further, all Enforcement Inspectors (EIs) were being posted only at the weighbridges (reference **Paragraph 6.3.8.25**) and were not engaged in enforcement activities at other strategic checkpoints. Their role at the weighbridges was restricted to inspecting trucks, while essential enforcement duties such as verifying expired permits, fitness and insurance certificates, and pollution certificates were neglected across the rest of the State.

This lack of field enforcement led to a failure in identifying and penalising defaulting vehicles, resulting in a loss of revenue to the State Exchequer amounting to ₹ 84.49 crore besides compromising road safety compliance.

During exit meeting (March 2025), the Department assured to look into the matter and furnish reply. Further, the CoT stated (May 2025) that the VAHAN Enforcement module was yet to be implemented. Efforts will be made to enhance enforcement and recover outstanding dues.

Recommendation: *Enforcement module of VAHAN application should be implemented in order to improve transparency in collection of fees and fines, which will also increase the overall efficiency of enforcement actions. A rotational duty system for EIs should be put in place to periodically assign them to different areas, including weighbridges, road checkpoints, and mobile enforcement units to ensure comprehensive enforcement coverage across the State.*

6.3.8.18 Failure of Traffic Police to detect expired documents

E-Challan is a Digital Traffic Enforcement Solution introduced to modernise and streamline traffic enforcement in Meghalaya. It enables traffic police to issue digital challans using handheld devices for on-the-spot traffic violations. The system was officially launched on 02 March 2021, initially within the jurisdiction of the Shillong Traffic Police, with plans for expansion to other districts. The Traffic Police Department had been engaged for checking of vehicles for enforcement of MV Act, 1988 and Central Motor Vehicle Rules, 1989.

[178] 61,037 vehicles defaulted in MV Tax + 4,317 vehicles defaulted in Goods & Passenger Tax.
[179] Also mentioned in Paragraph 6.3.8.14 of this Report.
[180] Also mentioned in Paragraph 6.3.8.13 of this Report.

As per Section 56 of MV Act, 1988, a transport vehicle shall not be deemed to be validly registered unless it carries a certificate of fitness in such form containing such particulars and information as may be prescribed by the Central Government, issued by the prescribed authority, or by an authorised testing station[181].

As per Section 192 of the MV Act, the vehicles owner with expired fitness were liable to pay minimum fine of ₹ 5,000 per vehicle. Further, as per Section 190(2), vehicle owners violating air and noise pollution were liable to pay penalty of ₹10,000 per vehicle.

Audit noticed that during the period 2021-22[182] to 2023-24, the Traffic Police had checked 76,227 vehicles and recovered an amount of ₹ 8.51 crore for different traffic violations like general offenses, driving without licenses, drunken driving, *etc*.

Scrutiny of the E-Challan report showed that out of the 76,227 vehicles held for various offences, 1,425 of these vehicles were operating with expired fitness certificates. However, the Traffic Police penalised only 136 vehicles for expired FCs out of 1,425, which indicates that 1,289 vehicles were neither penalised nor directed to go for fitness tests of their vehicles. Hence, fitness fine amounting to ₹ 0.64 crore[183] liable to be levied by the Traffic Police on 1,289 vehicles was not levied. Audit further observed that the Traffic Police failed to check or detect expired Pollution certificates of 2,807 vehicles. Consequently, an amount of ₹ 2.81 crore[184] was not recovered as required under the Rules. Hence, a total of ₹ 3.45 crore was not levied from 4,096 defaulters. This also pointed towards lack of coordination between the Transport Department and the Police Department.

During exit meeting (March 2025), the Department assured to examine the issue and furnish reply. Further, the CoT stated (May 2025) that the matter would be taken up with Police Department to recover all types of dues from vehicle owners during checking of vehicles by Traffic Police.

Recommendation: *The Transport and Police Departments should strengthen coordination by devising a mechanism for sharing real-time data offences caught on roads, to ensure prompt action following vehicle checks. Strengthened inter-departmental coordination will not only improve compliance but also enhance revenue collection for the State.*

6.3.8.19 Setting up of Emission Testing Stations

Section 56 of the Motor Vehicle (MV) Act, 1988 read with Rules 62 and 115 of the Central Motor Vehicle Rules (CMVR), 1989 provided for all vehicles to obtain a fitness certificate, which is to be renewed after two years in case of new vehicles, only after conducting certain tests including exhaust emission tests for pollution control.

[181] Section 56 (2) of the Motor Vehicle Amendment Act, 2019 stipulated that the authorised testing station means any facility, including automated testing facilities, authorised by the State Government, where fitness testing may be conducted in accordance with the rules made by the Central Government for recognition, regulation and control of such stations.

[182] E-challan of Police Department had been implemented *w.e.f.* March 2021.

[183] 1,289 vehicles x ₹ 5000/-.

[184] 2,807 vehicles x ₹ 10,000/-.

As per Private Auto Emission Testing Stations (PAETS) Rules framed by GoM (April 2004) for setting up of Auto Emission Testing Stations (AETS), Pollution Under Control Certificates (PUCC) were issued by the licensees with a validity of six months on realisation of testing fees between ₹ 15 to ₹ 70 per vehicle which included commission and government dues.

Audit noticed that 24 pollution testing centres had been set in the State under nine DTOs out of which nine pollution testing centres[185] were not functioning. Pollution testing centres under three DTOs[186] were yet to be set up as of March 2024. This reflects inadequate planning and enforcement, undermining effective pollution control and compliance with emission standards in the State.

During exit meeting (March 2025), the Department stated that due to a limited number of pollution testing centres, especially in remote areas, vehicles operate without necessary PUCCs. The issue would be examined further, and reply would be furnished. Further, the CoT stated (May 2025) that the Department would address this issue to increase the number of Testing Centre.

6.3.8.20 Road Safety

The Supreme Court Committee on Road Safety (SCCRS) was constituted (April 2014) by the Hon'ble Supreme Court of India to oversee and monitor the implementation of road safety laws across the country, ensuring that road safety measures are strictly followed by States, Government Agencies and related bodies. In September 2018, 17 directions were issued by the SCCRS to the Transport Departments of all States/UTs for improvement of road safety in the State. The observations of SCCRS issued in July 2019 and the status of implementation (**Appendix 6.3.1**) furnished by CoT, Meghalaya was as given in **Table 6.3.19**.

Table 6.3.19: Status of compliance to SCCRS directions as of March 2024

Sl. No.	Issues	Directions of SCCRS	Status[187]
1	Annual targets for reduction of fatalities	Notify annual accident/fatality reduction targets, prepare an action plan, and monitor its implementation	✗ Not Complied
2	District Road Safety Committees	State to set up District Road Safety Committees (DRSC) in all districts and hold quarterly meetings	✗ Not Complied
3	Crash investigations	To frame a scheme for carrying out an in-depth study on causes and analysis of motor vehicle accidents	✗ Not Complied
4	Training to the staff of the Lead Agency	Training to be imparted to the members of the Lead Agency	✗ Not Complied
5	Helmet wear, seat belt and use of mobile phone laws	Set annual targets and strategies for enforcing helmet, seat belt, and mobile phone laws while driving	✗ Not Complied
6	Highway Patrolling	Acquire interceptors for use as first responders and to curb over-speeding	✗ Not Complied
7	Procurement of equipment to detect traffic violations	Conduct gap analysis to assess adequacy of equipment for road safety	✗ Not Complied

[185] Southwest Garo Hills, East Khasi Hills (3 Nos), East Garo Hills, West Khasi Hills (2 Nos), North Garo Hills and East Jaintia Hills.
[186] DTO Baghmara, DTO Mawkyrwat and DTO Mairang.
[187] As verified by Audit.

Sl. No.	Issues	Directions of SCCRS	Status[187]
8	Training of personnel and maintenance of equipment	Ensure personnel are trained to handle the equipment and maintenance/AMC arrangements for equipment exist in all districts	✗ Not Complied
9	Traffic Calming Measures	To monitor Traffic Calming Measures and ensure that the targets are achieved	✗ Not fully Complied
10	Crash Barriers	Ensure crash barriers conform to IRC standards, replace non-compliant ones, and maintain them periodically	✗ Not Complied
11	Maintenance of bridges	To appraise of the progress achieved from time to time	✗ Not Complied
12	Audit of the roads most vulnerable to accidents	To appraise of the progress achieved from time to time	✗ Not Complied
13	Overloading of school buses and three wheelers	Set annual targets for inspecting school transport vehicles and displaying student carrying capacity	✗ Not Complied
14	Driving of motorised vehicles by the under-age students	Take legal action against owners allowing underage students to drive vehicles	✗ Not Complied
15	Status of ambulances	Assess adequacy of ambulances and paramedics; prepare time-bound plan to upgrade pre- and post-healthcare infrastructure	✗ Not Complied
16	Mapping of ambulances	To fix a timeline for mapping of all the ambulances in the State, both public and private	✗ Not Complied
17	Publishing of Annual Accident Data	Record, analyse, and publish annual data and reports in book form for stakeholder awareness	✗ Not Complied

From **Table 6.3.19**, it may be seen that the Transport Department had not complied with any of the directions given by SCCRS. Such non-compliance with the directions of the Committee pointed to laxity in ensuring various aspects of road safety measures by the Department.

Audit found that Meghalaya's Transport Department has failed to comply with most of the 17 directions issued by the Supreme Court Committee on Road Safety (SCCRS) since 2018. Key gaps include absence of crash investigation schemes, non-functional District Road Safety Committees, lack of staff training, failure to procure enforcement equipment, no progress on traffic calming targets, and missing plans for ambulance mapping and accident data publication. These persistent failures highlight systemic weaknesses in planning, monitoring, and enforcement, undermining the State's road safety objectives.

During exit meeting (March 2025), the Department stated that action had been taken, and publication of Motor Accident Data has been prepared. The State Government convened the Meghalaya State Road Safety Council, and other action plans would be uploaded on the Transport Department's website and shared with all concerned departments and the Ministry.

Recommendation: *The Department should take action on all the directions of SCCRS in a time bound manner to ensure road safety in the State.*

6.3.8.21 Infrastructure for the enforcement activities

As per Section 184 of the MV Act, 1988, driving a motor vehicle at a speed or in a manner deemed dangerous to the public, and as per Section 185, driving or attempting to drive a motor vehicle under the influence of alcohol/drugs is punishable with imprisonment or fine or both. Further, as per Section 203 of the Act, *ibid*, a police officer or an authorised Motor Vehicles Department officer may require a person driving or attempting to drive a vehicle in a public place to provide breath samples for testing if there is reasonable suspicion of an offence under Section 185.

Audit noticed that the Enforcement Inspectors (EIs) were posted at different weighbridges for the checking of vehicles for the enforcement of MV Act and Rules. During JPV conducted on seven weighbridges (September 2024), Audit noticed that the essential infrastructures and equipment such as Government vehicles, body worn cameras, spaces in the weighbridges to retain seized vehicles, breath analysers, *etc*., required for the enforcement activities were not provided in any of the sites, thus significantly hampering the effectiveness of enforcement activities. The absence of official vehicles to safely transport cash from weighbridges to the treasury involved risk of possible loss while handling cash.

Audit further noticed that lack of body-worn cameras, limited ability to document enforcement actions, impinged on the accountability for both officers and the public. Lack of designated spaces in weighbridges for retaining seized vehicles would cause illegal vehicles remaining on the roads and posed risks to public safety. Without breath analysers, the ability of the EIs to effectively detect and deter impaired driving is severely compromised.

This absence of essential equipment undermined effective enforcement of the Motor Vehicles Act, reduced accountability, compromised detection of impaired driving, and posed risks to public safety and revenue security.

During exit meeting (March 2025), the Department stated that essential infrastructure and equipment will be provided to support enforcement activities. The same response was furnished by the CoT (May 2025).

> ***Recommendation:*** *The Transport Department may urgently equip all enforcement sites with government vehicles, body-worn cameras, breath analysers, and secure spaces for retaining seized vehicles to ensure effective, accountable enforcement of the Motor Vehicles Act and improve road safety compliance.*

6.3.8.22 Stolen vehicles database not linked with VAHAN

As per Section 62 of the Motor Vehicle (MV) Act, 1988, the State Government may, if it thinks necessary, direct the Police Department to furnish returns regarding vehicles which have been stolen and stolen vehicles which have been recovered to the Transport Department.

As per information furnished by Police Department, 1,287 vehicles[188] were stolen during the period 2019-20 to 2023-24. However, details of stolen vehicles have not been transmitted to

[188] 177 stolen in 2019, 152 in 2020, 170 in 2021, 274 in 2022, 312 in 2023 and 202 in 2024.

Transport Department as required under Section 62 of the MV Act, 1988. As a result, the details of stolen vehicles have never been captured in the VAHAN database and RCs of stolen vehicles remained valid and active which can be used for fraudulent activities, including illegal sales of stolen vehicles or re-registration in other jurisdictions.

This indicated the need for better co-ordination between the Police Department and the Transport Department to ensure tracking of stolen vehicles effectively.

During exit meeting (March 2025), the Department stated that it will coordinate with the Police Department to upload and flag stolen vehicles in VAHAN which will prevent re-registration until the cases are solved. The same response was furnished by the CoT (May 2025).

Recommendation: *The Department may issue formal directive to the Police Department to share information on stolen vehicles regularly with the Transport Department to ensure compliance with Section 62 of the MV Act, 1988 and for proper tracking and recovery of the vehicles.*

6.3.8.23 Lack of co-ordination with other Departments

Clause 9 of the Meghalaya installation, regulation, maintenance and operation of weighbridges (MIRMOW) Rules, 2009 stated that each weighbridge including private weighbridges which are 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.

Further, clause 10 of the Meghalaya installation, regulation, maintenance and operation of weighbridges (MIRMOW) Rules, 2015, the fees for weighment of different categories of Motor Vehicles shall be charged by the Licensees at the rate of ₹ 100 per Light Motor Vehicle, ₹ 150 per Medium Goods Vehicles and ₹ 200 per Heavy Good Vehicles. As per agreements entered with the Licensees, 50 *per cent* of the weighment fees are to be paid to the State Government. In order to charge the relevant weighment fee as fixed by the Government, all loaded trucks passing though the weighbridges should be weighted.

Audit noticed that many trucks were not checked and weighed at the weighbridges of Transport Department during the period 2019-20 to 2023-24. The number of vehicles checked by other Departments such as Mining and Geology Department and Land Custom at the same locations was as under:

Table 6.3.20: Details of difference of no. of trucks as per records of different Departments

Sl. No.	Location	Particulars	Name of District	No. of trucks			Difference
				As per Transport Dept.	As per Mining Dept.	As per Land Custom	
1	Majai (Bholaganj)	Weighing of trucks carrying minerals crossing international borders	East Khasi Hills	1,15,513	0	3,91,016	2,75,503
2	Borsora		Southwest Khasi Hills	41,938	0	3,05,993	2,64,055
3	Amsarin (Dawki)		West Jaintia Hills	1,64,360	0	5,07,424	3,43,064
4	Ratacherra (Umkiang)	Weighing of trucks carrying minerals crossing inter-state borders	East Jaintia Hills	1,37,252	1,95,952	0	58,700
5	Bagli		Southwest Khasi Hills	52,915	1,57,671	0	1,04,756
6	Cherragoan		Southwest Khasi Hills	42,975	65,029	0	22,054
7	Dainadubi		North Garo Hills	0	8,893	0	8,893
Total				**5,54,953**	**4,27,545**	**12,04,433**	**10,77,025**

Source: As furnished by the Departments.

As can be seen from above that 10,77,025 trucks had avoided checking at the weighbridges of Transport Department. This has resulted in loss of revenue of ₹ 10.77 crore[189] to the State Exchequer due to non-collection of weighment fees. This indicated the need for conversion of existing check-gates into integrated check-gates in order to have better co-ordinations between the Transport Department and other relevant departments for effective enforcement of MV Act and improvement revenue collection.

In reply, the CoT stated (November 2024) that the main reason for the difference of number of trucks reported by other Departments and number of trucks reported by Transport Department were by-passing of the weighbridges of Transport Department by taking other alternative routes, plying at night by-passed the weighbridges of Transport Department as weighbridges of Transport Department were closed at night.

During exit meeting (March 2025), the Department stated that the deficiencies were due to a shortage of Enforcement Inspectors and inadequate security equipment, which hindered effective checking of trucks, some of which may ply without valid number plates and may escape Department weighbridge. The same response was furnished by the CoT (May 2025).

Recommendation: *The Department should consider conversion of all check-gates to integrated check-gates in order to have integration of the Transport Department, Mining & Geology Department, and Land Customs databases to prevent trucks from bypassing weighbridges.*

[189] 10,77,025 trucks x ₹ 200 per truck = ₹ 21.54 crore x 50 *per cent* = ₹ 10.77 crore.

Conclusion*:* Audit revealed major shortcomings in the Transport Department's enforcement of Motor Vehicles Act provisions in Meghalaya. Key failures included non-implementation of the VAHAN Enforcement Module, poor field enforcement beyond weighbridges, limited detection of expired documents by Traffic Police, inadequate functioning of emission testing stations, and persistent non-compliance with Supreme Court Committee directions on road safety. Coordination between the Transport and Police Departments was weak, data sharing was poor (including for stolen vehicles), and significant revenue losses arose from unmonitored weighbridge operations and trucks bypassing checks. These systemic enforcement gaps undermine road safety, regulatory compliance, and the State's revenue collection.

Audit Objective 5: *Whether RTOs have been provided with required manpower, equipment, and other resources to discharge the mandate as also to ensure public service delivery in a transparent and efficient manner.*

Transport Department is a revenue earning Department and enforces the provisions of the MV Act and rules which governed the movement of vehicles. Adequate manpower and proper infrastructure are essential for discharge all its core functions effectively. Audit observations on the above are discussed in the succeeding paragraphs.

6.3.8.24 Inadequate manpower

The details of sanctioned strength and men-in-position of the Transport Department as of March 2024 are given below:

Table 6.3.21: Sanction strength and men-in-position in the State

Sl. No.	Type Manpower	Sanctioned strength	Person-in-position	Shortage
1	Motor vehicle Inspector (MVI)	14	10	04
2	Enforcement Inspector (EI)	21	13	08
3	Enforcement Checker (EC)	47	28	19
4	Upper Division Assistant (UDA)	07	05	02
5	Head Assistant (HA) / Assistant Enforcement Inspector (AEI)	05	04	01
6	Lower Division Assistant (LDA)	26	26	0
Total		**120**	**86**	**34**

Source: As furnished by the Department.

From **Table 6.3.21**, it is evident that the shortage of manpower as against the sanctioned strength was high in the cadres of MVI, EI, EC. This indicated the enforcement staff shortage would constitute major constraints in the face of increasing number of tax defaulters and vehicles operating with expired permits, fitness certificates, and pollution certificates, *etc*. This shortfall will not only weaken enforcement functions and adversely affect recovery of fines/dues. Additionally, processing of various vehicular related applications of vehicle owners and enforcing motor vehicle laws, handling accident cases, *etc*., in a time bound manner will be difficult.

During exit meeting (March 2025), the Department stated that the MPSC's Enforcement Inspector exam results are pending due to a court case. In the case of MVI post, only three out of six posts were advertised, leaving staffing insufficient to manage 21 weighbridges with the current strength of 15 Enforcement Inspectors. The same response was furnished by the CoT (May 2025).

> ***Recommendation:*** *The Department should make efforts to improve the position of person-in-position in alignment with the sanctioned strength in order to comply effectively with the provisions of the Acts/Rules.*

6.3.8.25 Imbalanced allocation of manpower in weighbridges

The Transport Department has not developed fixed norms for posting of Enforcement Inspectors in the weighbridges. The details of allotment of Enforcement Inspector (EI) in the weighbridges are given in **Appendix 6.3.2**.

Audit observed that four weighbridges, *viz.*, Iew Syiem, Majai, Amsarin and Porlakait which generated revenue of ₹ 7.22 crore were managed by one EI while Porlakait weighbridge did not generate any revenue. Four weighbridges *viz.,* Killing, Umling Entry, Umling Exit, Norbong, earning combined revenue of ₹ 12.62 crore were managed by one EI. However, two weighbridges *viz.*, 8th Mile and Garampani weighbridges, with total revenue of ₹ 12.33 crore were managed by two EIs. At the same time, one weighbridge at Ratacherra with revenue earnings of ₹ 2.74 crore were managed by two EIs.

In contrast of the above, 10 weighbridges in Garo Hills, earning a total revenue of only ₹ 1.53 crore were manned by six EIs of which seven weighbridges did not generate any revenue during the entire period 2019-24.

Thus, due to lack of norms for deciding the postings of EIs in the weighbridges, some weighbridges with high traffic and revenue such as Iew Syiem, Majai, Amsarin, Killing, Umling (entry and exit), and 8th Mile, were under-staffed for effective performance of the functions. Whereas weighbridges with no traffic or revenue, such as Rongmil, Bajengdoba, Tongnapara, Garobada, Dhanua, Trikila and Chasingre, had higher number of EIs where the need for such level of EIs were not required. This indicated that the Department did not use its available human resources to the optimum level for better productivity.

In reply, the CoT stated (November 2024) that proper roster and rotation system will be implemented so that all Enforcement Inspectors can be rotated to perform required enforcement duties in the weighbridges and also for town duties.

During exit meeting (March 2025), the Department stated that the roster cannot be updated due to a pending Supreme Court case. Additionally, a case filed by some staff in the High Court that challenges promotion based on qualifications and demanding seniority-based promotion instead. The Department has contested this in the Supreme Court, citing rules that require prescribed qualifications for promotion. The same response was furnished by the CoT (May 2025).

Recommendation: *The Department should rationalise posting of EIs according to the workload, traffic volume and revenue generation to ensure optimal utilisation of enforcement capabilities to increase revenue collection and improve enforcement functions of the DTOs.*

6.3.8.26 Lack of infrastructure

For the purpose of providing services such as issue of Learner licenses and Driving licences, registration of Vehicles, renewal of Registration Certificates, Renewal, Suspension and Cancellation of Fitness certificates and Tax matters as per MV Act and Rules, DTOs required infrastructure like building and other facilities for proper discharge of the functions.

In order to find out the position of availability of infrastructure in the three test-checked DTOs, Joint physical verification was conducted at DTO Mawkyrwat (July 2024), Khliehriat (August 2024) and Tura (September 2024). Audit observed that DTOs at Mawkyrwat and Khliehriat did not have their own buildings but rented cramped office spaces having safety issues in case of emergencies. The building of DTO Tura developed cracks and not maintained properly for conducive working environment. DTO at Mawkyrwat, Khliehriat, and Tura lacked sufficient space for learner's and driving license tests and even for vehicle fitness assessments. Further, the DTO, Tura did not have separate rooms for cashier to collect the fees from the public and who had to perform his duties inside the office chamber of the DTO.

Further, there is no designated spaces for the public to stand in queue for the payment of services rendered as the office chamber of the DTO was used by the cashier to collect fees/fines, *etc*., thus compromising on security of cash handling. None of the DTOs had government vehicles for enforcement functions which involved frequent movement for timely response or delivery of services.

Thus, the above infrastructure and facilities are basic requirement for proper functioning of the DTOs who have to perform enforcement functions and duties which involved public dealings.

During the exit meeting (March 2025), the Department stated that construction of office buildings is pending due to non-submission of detailed estimates by the DTOs. The matter is being pursued with DTOs, PWD (Buildings), and MGCCL. Upon completion, necessary infrastructure would be arranged. The same response was furnished by the CoT (May 2025).

Conclusion: Audit found that the Transport Department in Meghalaya faces significant constraints in effectively delivering services and enforcing the Motor Vehicles Act due to inadequate manpower, imbalanced staff deployment at weighbridges, and poor infrastructure in District Transport Offices (DTOs). High vacancies in critical enforcement positions, unequal allocation of staff relative to traffic volume and revenue potential, and lack of proper office buildings, space for tests, cash handling facilities, and official vehicles undermine the Department's ability to serve the public efficiently, enforce rules, and collect revenue reliably. Strengthening staffing and infrastructure is essential to ensure transparent, effective, and safe public service delivery.

6.3.9 Conclusion

The Performance Audit highlighted operational inefficiencies, inadequate infrastructure and weak enforcement mechanisms in the Transport Department. Issuing licenses without the required tests and sooner than the mandatory 30 days interval between the learner's license and the driving license led to the possession of licenses by individuals who may not possess the necessary driving skills. Lack of monitoring of the Driving Schools led to violations of Rule 27 of Central Motor Vehicle Rules (CMVR), 1989. Moreover, missing vehicle details in VAHAN database indicated gaps in data entry, verification, and validation processes of the DTOs.

Registering of 854 vehicles with out-of-jurisdiction addresses is a violation of the MV Act whereas the non-registration of 522 vehicles with permanent registration not only resulted in revenue loss to the Government but was also in violation of the provision of the Act. Plying of 11,415 transport vehicles with expired permits and 12,746 transport vehicles with expired fitness certificates posed serious risks of public safety along with violations of MV Act and Rules. Further, the absence of designated testing grounds and Automated Testing Stations poses significant challenges in conducting practical driving tests and vehicle fitness inspections, which are vital for ensuring road safety. Due to delay in construction of the AIC centre, the primary purpose of automated vehicle inspections and environmental compliance had not been realised.

Audit findings showed a revenue loss of ₹ 166.15 crore to the State Exchequer due to non-levy of MV tax, short levy of registration fee and HSRP fitment fees, non-levy of permit and fitness related fees including non-levy of various fines. Additionally, non-receipt of bank drafts sent for revalidation to STA, Assam, resulted in a further loss of ₹ 0.68 crore. The lack of effective enforcement by the Transport and Police Department also led to non-imposition of penalties worth ₹ 87.94 crore and non-collection of weighment fees amounting to ₹ 10.77 crore.

The lack of infrastructure and resources for enforcement activities within the Transport Department hampered its effectiveness in compliance with regulations. The shortage of manpower in various roles within the Transport Department poses significant challenges to operational efficiency, enforcement activities, and public service delivery.

6.3.10 Summary of recommendations

(i) The Department may develop an SOP for service delivery, sensitise staff for compliance, and establish a monitoring mechanism to review adherence, identify lapses, and implement corrective actions across DTOs.

(ii) Monitoring mechanism needs to be strengthened, and an SOP be prescribed clearly defining the duration of such inspections

(iii) The Transport Department should mandate strict verification of owners' address proof during vehicle registration by implementing a standardised, auditable checklist for all DTOs, and should introduce periodic compliance audits to ensure registrations are made strictly within the jurisdiction as per Section 40 of the Motor Vehicles Act, 1988.

(iv) The formulation of the vehicle scrapping policy for both Government and public vehicles including transport vehicle should be expedited. Once in place the same should be strictly adhered to by the Department.

(v) The Department may sensitise and train the staff of DTOs on the statutory requirements related to inter-state vehicle transfers, including the mandatory procurement and verification of NOCs under Section 48 of the Motor Vehicles Act, 1988.

(vi) The Department may conduct awareness programmes for taxi drivers, bus operators, truck associations, and tourist transport providers about the legal consequences of operating with expired permits and fitness.

(vii) The Department must ensure that the AIC centre becomes fully operational within a defined timeline and is adequately staffed, maintained, and equipped to carry out inspection and certification as envisaged under the Act and Rules. This will not only contribute to safer roads and cleaner air but also boost State revenues through sustained operations of the testing centre.

(viii) The Transport Department should rectify incomplete VAHAN records, automate fee calculation based on notified rates, recover short-levied amounts, refund excess collections, and strengthen internal controls to prevent recurrence.

(ix) The Department may consider implementing a system for bulk SMS or WhatsApp notifications to remind vehicle owners of permit renewals, fitness tests, and other required actions related to vehicles on the state. This would improve compliance, strengthen enforcement, besides enhancing revenue collection for the State.

(x) The Department may (i) issue demand notices to the vehicle owners for non-payment of all motor vehicle taxes and fees, and (ii) share the details of defaulting vehicle owners with the Enforcement authorities as well as the Police Department to enforce the penal provisions and recovery of dues.

(xi) *The Department should fix the rates for all types of HSRP fixation and sensitise the staff of the DTOs to charge the vehicle owners with the correct rates.*

(xii) *The Department may fix responsibility on the officials who failed to carry out their duties of depositing the bank drafts within the validity period and take necessary actions to recover the amount from STA, Assam.*

(xiii) *Enforcement module of VAHAN application should be implemented in order to improve transparency in collection of fees and fines, which will also increase the overall efficiency of enforcement actions. A rotational duty system for EIs should be put in place to periodically assign them to different areas, including weighbridges, road checkpoints, and mobile enforcement units to ensure comprehensive enforcement coverage across the State.*

(xiv) *The Transport and Police Departments should strengthen coordination by devising a mechanism for sharing real-time data offences caught on roads, to ensure prompt action following vehicle checks. Strengthened inter-departmental coordination will not only improve compliance but also enhance revenue collection for the State.*

(xv) *The Department should take action on all the directions of Supreme Court Committee on Road Safety (SCCRS) in a time bound manner to ensure road safety in the State.*

(xvi) *The Transport Department may urgently equip all enforcement sites with government vehicles, body-worn cameras, breath analysers, and secure spaces for retaining seized vehicles to ensure effective, accountable enforcement of the Motor Vehicles Act and improve road safety compliance.*

(xvii) *The Department may issue formal directive to the Police Department to share information on stolen vehicles regularly with the Transport Department to ensure compliance with Section 62 of the MV Act, 1988 and for proper tracking and recovery of the vehicles.*

(xviii) *The Department should consider conversion of all check-gates to integrated check-gates in order to have integration of the Transport Department, Mining & Geology Department, and Land Customs databases to prevent trucks from bypassing weighbridges.*

(xix) *The Department should make efforts to improve the position of person-in-position in alignment with the sanctioned strength in order to comply effectively with the provisions of the Acts/Rules.*

(xx) *The Department should rationalise posting of EIs according to the workload, traffic volume and revenue generation to ensure optimal utilisation of enforcement capabilities to increase revenue collection and improve enforcement functions of the DTOs.*

Shillong
The 04 June 2026

(LHUNKHOTHANG HANGSING)
Principal Accountant General (Audit), Meghalaya

Countersigned

New Delhi
The 15 June 2026

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