



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Report of the
Comptroller and Auditor General of India
on
Functioning of District Transport Offices in Bihar**



**Government of Bihar
Report No. 5 of 2025
(Performance Audit - Civil)**

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TABLE OF CONTENTS

	Paragraph No.	Page No.
Preface		vii
Executive Summary		ix
Performance Audit on Functioning of District Transport Offices in Bihar		
Chapter I: Introduction		
Introduction	1.1	1
Organisational Structure	1.2	2
Major Functions of the District Transport Offices	1.3	2
Audit Objectives	1.4	3
Audit Criteria	1.5	4
Audit Scope, Methodology and Limitations to this Audit	1.6	4
Structure of this Audit Report	1.7	5
Acknowledgement	1.8	6
Chapter II: Issuance of Learner Licence, Driving Licence and Licences to Motor Driving Training School		
Issue/grant of Learner's Licences	2.1	7
Issue/grant of motor vehicle driving licences	2.2	8
Irregular grant of driving licence for Heavy Motor Vehicles	2.3	10
Inadequate driving skill testing infrastructure	2.4	11
Conduct of driving skill tests in Automated Driving Testing Centre, Patna, by relaxing the mandatory parameters	2.5	12
Assessment of driving skill testing in ADTC Patna	2.6	13
Operation of Motor Driving Training Schools	2.7	14
Conclusions and Recommendations	2.8	17
Chapter III: Issuance of Certificate of Registration and grant of Permits to Transport Vehicles		
Issue/grant of certificate of registration to vehicles	3.1	19
Registration of Bharat Stage-IV vehicles after cut-off date	3.1.1	19
Entry of wrong purchase date in 'VAHAN' software by authorised dealers to avoid levy of penalty on tax	3.1.2	21
Absence of provision for levy of penalty on non-transport vehicles for belated payment of tax	3.1.3	22
Registration of vehicles in case of change of At Present (AP) address	3.1.4	23
Transfer of ownership of auctioned vehicles without realisation of Motor Vehicle Tax	3.1.5	24

	Paragraph No.	Page No.
Availing of Amnesty Scheme by newly purchased unregistered vehicles	3.2	25
Issue of certificate of deposit by the Registered Vehicle Scrapping Facility without clearance of financial dues of the vehicles	3.3	26
Grant of permit to transport vehicles	3.4	27
Plying of permanent permit holder transport vehicles without valid documents	3.4.1	28
Registration of new transport vehicles without ensuring grant of permit	3.4.2	29
Non-renewal of authorisation of National Permit for goods carriages	3.4.3	30
Irregular grant of permits to goods carriages and contract carriages	3.4.4	31
Irregular grant of National Permit to age expired goods carriages	3.4.5	32
Conclusions and Recommendations	3.5	32
Chapter IV: Grant of Certificate of fitness to Transport Vehicles		
Lack of monitoring while granting fitness certificate by Automated Testing Station	4.1	35
Issue/renewal of fitness certificate to vehicles without booking of online appointment and fulfilling the prescribed parameters	4.2	36
Plying of transport vehicles without valid fitness certificate	4.3	37
Conclusions and Recommendations	4.4	38
Chapter V: Levy and collection of Motor Vehicle Taxes and fee		
Parking of Government revenue in bank account	5.1	39
Short levy and collection of One Time Tax	5.2	39
Short payment of one time tax by dealers for vehicles registered through dealer point	5.2.1	40
Short collection of one time tax and non-recovery of penalty on one time tax from the owners of vehicles by District Transport Officers	5.2.2	40
Non-recovery of Motor Vehicle Tax from construction equipment vehicles	5.2.3	41
Non-realisation of Motor Vehicle Tax from annual MV Tax paying transport vehicles	5.3	41
Short levy of MV Tax on stage carriages due to wrong assessment of classification of category	5.3.1	42
Non-realisation of Green Tax and penalty from transport vehicles	5.3.2	43

	Paragraph No.	Page No.
Non-levy of Trade Tax on Temporary Registration of vehicles	5.4.1	44
Non-levy of Trade Tax on stock transfer	5.4.2	44
Non-levy of additional fee for delayed submission of transfer of ownership application	5.5	45
Conclusions and Recommendations	5.6	45
Chapter VI: Enforcement of Motor Vehicles Act/Bihar Motor Vehicles Act and Rules		
Lack of monitoring in recovery of e-challans leading to increase in arrears	6.1	47
Non-levy of fine by Enforcement Wing on vehicles plying on roads without paying MV Tax	6.2	48
Non-realisation of e-challan fine, as well as tax from vehicles leading to increase in arrears	6.3	49
Non-Recovery of Government Revenue by disposing all the pending e-challans	6.4	49
Short levy and collection of Tax and penalty	6.5	50
Levy of fine by indicating improper unique IDs of vehicles on e-challan	6.6	51
Irregularities noticed at check posts	6.7	51
Lack of monitoring and supervisory control to achieve revenue targets at check-posts	6.7.1	51
Non-levy of penalty at check-post on erring vehicle owners/drivers for second and subsequent offences	6.7.2	53
Conclusions and Recommendations	6.8	54
Chapter VII: Delivery of Public Services		
Non-monitoring of approval of certification of registration	7.1	55
Delay in delivery of public services	7.2	56
Conclusions and Recommendation	7.3	57
APPENDICES		59
GLOSSARY OF ABBREVIATIONS		83

LIST OF APPENDICES

Sl. No.	Particular	Referred Paragraph	Page No.
1	Entry of wrong purchase date in 'VAHAN' software by authorised dealers to avoid levy of penalty on MV Tax (Transport Vehicles)	3.1.2	59
2	Entry of wrong purchase date in 'VAHAN' software by authorised dealers to avoid levy of penalty on MV tax (Non-transport Vehicles)	3.1.2	60
3	Absence of provision for levy of penalty on non-transport vehicles for belated payment of tax	3.1.3	61
4	Details of registration of vehicles in case of change of At Present (AP) address	3.1.4	62
5	Transfer of ownership of auctioned vehicles without realisation of Motor Vehicle Tax	3.1.5	63
6	Availing of Amnesty Scheme by newly purchased unregistered vehicles	3.2	64
7	Issue of certificate of deposit by the Registered Vehicle Scrapping Facility without clearance of financial dues of the vehicles	3.3	65
8	Issue of certificate of deposit without collecting MV Tax from the vehicles	3.3	66
9	Issue of certificate of deposit by the Registered Vehicle Scrapping Facility without clearance of financial dues of the vehicles	3.3	67
10	Plying of permanent permit holder transport vehicles without valid documents	3.4.1	68
11	Registration of new transport vehicles without ensuring grant of permit	3.4.2	69
12	Non-renewal of authorisation of National Permit for goods carriages	3.4.3	70
13	Irregular grant of permits to goods carriages and contract carriages	3.4.4	70
14	Plying of transport vehicles without valid fitness certificate	4.3	71
15	Short payment of One Time Tax for vehicles registered through dealer point	5.2.1	72
16	Short collection of One Time Tax and non-recovery of penalty on one time tax from the owner of vehicles by District Transport Officers	5.2.2	73
17	Non-recovery of Motor Vehicle Tax from construction equipment vehicles	5.2.3	73
18	Non-realisation of Motor Vehicle Tax from Annual MV tax paying transport vehicles	5.3	74
19	Classification of category of vehicles	5.3.1	75
20	Short levy of MV Tax on Stage carriages due to	5.3.1	76

Sl. No.	Particular	Referred Paragraph	Page No.
	wrong assessment of classification of category		
21	Non-realisation of Green Tax and penalty from transport vehicles	5.3.2	77
22	Non-levy of Trade Tax on Temporary Registration of vehicles	5.4.1	77
23	Non-levy of Additional Fee for delayed submission of transfer of ownership application	5.5	78
24	Lack of monitoring in recovery of e-challans leading to increase in arrears	6.1	79
25	Lack of monitoring in recovery of e-challans leading to increase in arrears in the State (as of March 2024)	6.1	80
26	Release of vehicles without clearing pending e-challans	6.4	81
27	Short levy and collection of Tax and penalty	6.5	81
28	Non-levy of penalty at check-post on erring vehicle owner/driver for second and subsequent offences	6.7.2	82

PREFACE

This Report of the Comptroller and Auditor General of India for the period ended 31 March 2024 has been prepared for submission to the Governor of Bihar under Article 151 of the Constitution of India.

The Report contains significant results of Performance Audit on “Functioning of District Transport Offices in Bihar” covering the period April 2019 to March 2024.

The instances mentioned in this Report are those, which came to notice in the course of Performance Audit, which was conducted during the period July 2024 to October 2024 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to March 2024 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Executive Summary

Both the Centre and State have jurisdiction over the implementation of rules, regulations related to implementation of acts related to Motor Vehicles. The Motor Vehicles Act, 1988, enacted by the Parliament provides the rules regarding issuing of licence to drivers of motor vehicles, registration of motor vehicles, issue of various types of permits, *etc.* The State of Bihar enacted the Bihar Motor Vehicles Taxation (BMVT) Act/Rules, 1994, which details the taxes, fees, Road Safety Cess (RSC), *etc.*, to be levied on motor vehicles.

The Transport Department (Department) is responsible for the enforcement of the Motor Vehicles Rules and collection of tax, fine, cess, *etc.*, in the State. The State Transport Commissioner/Authority (STC/STA) heads the Department. The taxation powers envisaged under various Acts are implemented by the District Transport Offices (DTOs) functioning under the STC.

The Performance Audit (PA) on “Functioning on DTOs in Bihar” was conducted to assess the (a) issue, renewal and cancellation of licences (b) regulation and control over registration, issuance of permits and fitness certificates (c) assessment, levy, collection and remittance of revenue and (d) enforcement activities, *etc.* by the related state authorities.

The PA covered the period 2019-20 to 2023-24, and was conducted during July 2024 to October 2024, through test-check of records of the office of the STC/STA, at the Apex level and six sampled DTOs including two check posts. Besides, Joint Physical Verification was also conducted in the sampled units along with the officials of the Department.

Main Audit Conclusions

Key audit findings in each of the focus area of examination, are presented as under:

Chapter II: Issuance of Learner Licence, Driving Licence and Licences to Motor Driving Training School

As per Rule 11 of the CMV Rules, 1989, read with Section 4 and 18 of the MV Act, 1988, every applicant for a Learner's Licence shall present himself before the licensing authority on such date, place and time, as the licensing authority may appoint, for a test and satisfy such authority that the applicant possesses adequate knowledge and understanding of the matters prescribed under the Rule. No Learner's Licence shall be issued to any applicant unless he passes to the satisfaction of the licensing authority, such a test as may be prescribed. However, during Joint Physical Verification (JPV) with departmental officials, Audit noted that only 21 applicants (2.66 *per cent*) out of total 789 applicants, appeared for Learners' Licence (LL) test for Light Motor Vehicle (LMV). Of this, seven applicants completed this test successfully but as per 'SARATHI' database 766 applicants (97.08 *per cent*) were found successful in the test on the dates of the JPV. Further, for Driving Licence (DL), in the course of JPV it was also noted that, out of 903 applicants only 10 physically appeared for the test, but, as per the 'SARATHI' database the DL was granted to 856 (94.80 *per cent*) successful candidates. Furthermore, 77 slots were booked for conducting driving skill test for Heavy Motor Vehicle (HMV) on the dates of the JPV.

However, only one driving skill test was actually conducted for HMV on the given date. Despite this, 73 licenses related to HMV were granted. This shows that licences were being issued without even physical presence of the candidates, let alone testing the capability of the candidates.

At the Automated Driving Testing Centre (ADTC), Patna, applicants were being declared as successful without qualifying against the mandatory parameters, indicating that the skill tests for driving LMV were not being conducted as per the prescribed parameters. Besides, motor driving training schools were operating without possessing all the required infrastructure.

Chapter III: Issuance of Certificate of Registration and grant of Permits to Transport Vehicles

DTOs and Motor Vehicle Inspectors (MVIs), did not exercise due diligence in verification of documents/information related to vehicles furnished by 861 authorised dealers at the time of registration of 18,851 vehicles which resulted into short realisation of revenue of ₹ 4.35 crore and non-levy of fine amounting to ₹ 18.11 crore. Further, it also indicated lack of input controls in the 'VAHAN' software, as it accepted date of purchase of a vehicle later than the date of insurance of that vehicle.

The issue of non-availability of penal provision in the BMVT Rules for levy of penalty on non-transport vehicles for belated payment of One Time Tax was not raised by DTOs at the appropriate level, leading to non-realisation of additional revenue in the form of penalty.

Allowing registration of newly purchased unregistered 539 commercial vehicles (tractors) under the Amnesty Scheme which was meant for old tax defaulter vehicles caused loss of revenue of ₹1.62 crore. Validity of tax tokens/ fitness certificates/insurance and/or permits of 9,522 transport vehicles had expired but, the authorised officers did not issue any notices for cancellation of their permits. Certificate of registration was granted to 42,121 transport vehicle without ensuring issuance of permanent permit leading to loss of revenue amounting to ₹28.09 crore.

Chapter IV: Grant of Certificate of fitness to Transport Vehicles

Departmental officers did not monitor/comply with the Standard Operating Procedure (SOP) for conducting fitness tests of vehicles through Automated Testing Station (ATS), which resulted into issuance of fitness certificates in 300 test-checked cases without using the automated system and without conducting tests against all prescribed parameters. Out of 47,223 vehicles, certificate of fitness was granted to 42,672 (90.36 per cent) such vehicles where appointments for obtaining certificate of fitness were not applied online, in violation of the provisions/instructions. This also indicating improper mapping of departmental rules/ instructions into 'VAHAN'. Further, of 66,345 test-checked vehicles, fitness certificate of 35,921 vehicles were found expired posing a danger to road and public safety and also depriving the State of revenue amounting to ₹2.27 crore, in terms of issue/renewal fee of fitness.

Chapter V: Levy and collection of Motor Vehicle Taxes and Fee

Out of revenue receipts of ₹45.06 lakh, DTO, Patna, did not remit ₹ 28.95 lakh to the Government Account. Further, collection of one time tax annually/

quarterly by the Concerned DTOs in the cases of 238 vehicles resulted into short realisation of revenue of ₹75.05 lakh (Tax: ₹25.01 lakh; Penalty for delay: ₹50.04 lakh).

Partial realisation of MV Tax by the test-checked DTOs, at the time of registration of 1,255 construction equipment vehicles resulted in short realisation of revenue of ₹ 20.41 crore. Further, in test-checked DTOs, 7,649 transport vehicles were plying on roads without paying outstanding Motor Vehicle Tax and penalty/fine amounting to ₹ 50.40 crore. Besides, wrong assessment of category of stage carriages (buses) by the concerned registering authorities in test-checked DTOs, resulted in short levy of tax of ₹1.43 crore. In addition to this, the Department did not make provision for assessment of MV Tax on stage carriages with wheelbase of more than 228 inches and less than 142 inches.

Due to improper mapping of rules in 'VAHAN' and insufficient monitoring, test-checked DTOs realised MV Tax in respect of 943 age expired transport vehicles, without collecting leviable Green Tax, resulting in short realisation of revenue of ₹43.94 lakh. Further, the test-checked DTOs, did not detect liability of Trade Tax in respect of 66,260 cases of Temporary Registration (TR) of vehicles, resulting in short realisation of revenue of ₹1.36 crore. Besides, DTO Sitamarhi and East Champaran did not levy Trade tax on five dealers for sale/transfer of 52,182 two wheelers to their 38 sub-dealers resulting in short realisation of revenue of ₹78.27 lakh. In addition to this, test-checked DTOs, in 13,113 cases of transfer of ownership of vehicles, did not levy additional fee on account of delayed submission of application by the purchasers of vehicles resulting in non-levy of additional fee amounting to ₹2.09 crore.

Chapter VI: Enforcement of Motor Vehicles Act/Bihar Motor Vehicles Act and Rules

In test-checked DTOs, 858 vehicles were granted Fitness Certificates by the same DTO that had issued multiple e-challans on the vehicles for offences indicating that at the time of granting Fitness Certificate the concerned DTOs did not ensure disposal of all the pending e-challans. Pendency in payment of e-challans issued in the State increased from 4.40 *per cent* to 39.21 *per cent* during the period 2020-21 to 2023-24. Arrears of Government revenue in respect of e-challans increased from ₹14.30 crore (2020-21) to ₹ 109.82 crore (2023-24). Total 80,901 e-challans amounting to ₹ 203.36 crore were pending for disposal.

In four (East Champaran, Gopalganj, Patna and Sitamarhi) test-checked DTOs fine of ₹1.10 crore was levied on 171 vehicles through 373 e-challans with each of the vehicle having two or more than two pending e-challans. During disposal of 179 e-challans, the concerned DTO disposed off only the last issued e-challan and did not dispose the e-challans that had been issued prior to it. This was also due to the fact that, in case of multiple e-challans, the Parivahan Portal of MoRTH, GoI, allowed payment of the last issued e-challan, without payment of all the pending e-challans. This resulted in non-recovery of Government revenue of ₹57.75 lakh.

It was seen that 139 vehicles which were registered outside Bihar were plying in the State, without valid permits and were therefore liable for levy and

collection of penalty by the concerned Assistant Enforcement Officer/Enforcement officer. Further, fines were levied by different Transport/Traffic Police Authorities through 540 e-challans, by recording improper chassis or registration certificate number of the vehicles, in place of valid alphanumeric chassis number/ registration certificate number resulting in non-collection of fine of ₹ 1.11 crore as these vehicles could not be traced. Besides, due to non-levy of prescribed extended fines for the same offence by the same vehicle on different occasions, there was short levy of penalty.

Chapter VII: Delivery of Public Services

In case of 1,097 applications for registration of vehicles, there were delays from 183 to 745 days in verification of registration documents at the MVI level resulting in non-issuance of certificates of registration for these vehicles by the test-checked DTO. The 'VAHAN' software was also unable to flag delays to senior officials in verification of registration documents, indicating that it had not been mapped with the timelines prescribed in the Bihar Right to Public Service (BRTPS) Act, 2011 and insufficient monitoring on the part of concerned DTOs.

Although, all the 20 services notified under BRTPS Act were being delivered, in nine, out of 20 services, there were delays of up to 1,973 days in providing these services.

Audit Recommendations:

In order to strengthen and improve the functioning of DTOs, the Department may:

- 1. develop a robust system to ensure that LLs/DLs are issued only after actual attendance (ensured through biometrics, facial recognition etc.) and appropriate testing of the applicants;*
- 2. ensure establishment of an effective control mechanism for monitoring registration at dealer-point to prevent loss to the Government exchequer;*
- 3. ensure that in case of change of 'At present Address', the vehicle owner applies for registration of vehicle through the VAHAN portal by uploading NOC issued by the previous registering authorities and other relevant documents and avoid manual interventions;*
- 4. ensure granting fitness certificates to vehicles only after they have passed the checks and tests in Automated Testing Stations (ATS) as per specified parameters;*
- 5. effectively implement automated systems to track and monitor tax payments, issue of auto reminders and notices to vehicle owners, and generate alerts for enforcement action against defaulters, to prevent tax evasions;*
- 6. integrate registration of vehicles with payment of trade tax and seek periodic compliance reports from dealers for adherence to its directives;*
- 7. prescribe specific procedures to ensure quick disposal of pending e-challans and ensure effective compliance to its directives by mapping them into the 'VAHAN' software;*

8. *(i) consider integration of 'VAHAN' and e-challan software systems and (ii) ensure that the e-challan system is mapped in such a manner that disposal of the most recent challan is permitted only after the clearance of all previously pending challans;*
9. *ensure that e-challans generated on the basis of chassis number/registration certificate number are linked with 'VAHAN' software for monitoring the vehicle to allow collection of pending fines/e-challans; and*
10. *ensure timely delivery of public services as per the Bihar Right to Public Services Act.*

CHAPTER-I
INTRODUCTION

Chapter I

1.1 Introduction

“Mechanically propelled vehicles including the principles on which taxes are to be levied” is under the Concurrent List (Entry number 35 under List III) as per the Seventh Schedule of the Constitution of India. This means that both the Centre and State have jurisdiction over rules, regulations and implementation of regulations for Motor Vehicles. The Motor Vehicles Act, 1988, enacted by the Parliament provides the rules regarding issuing of licence to drivers of motor vehicles, issue of licence 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, Government of India, is responsible for formulation of broad policies relating to road transport and enforcement of the Motor Vehicles Act, 1988, and the Central Motor Vehicles Rules, 1989. Section 68 of the Motor Vehicles Act, 1988, mandated the establishment of State Transport Authorities across India. Rule 259 of the Bihar Motor Vehicles Rules, 1992, provides that Regional Transport Authority is deputed at division level and District Transport Officer is deputed at district level. The State Transport Commissioner/Authority (STC/STA) heads the Transport Department.

The taxation on vehicles as mentioned in the Concurrent List is also included in the State List (Entry number 57). The State of Bihar enacted the Bihar Motor Vehicles Taxation Act/Rules, 1994, which details the taxes, fees, Road Safety Cess (RSC), *etc.*, to be levied on motor vehicles. The major regulatory functions envisaged under the Motor Vehicles Act, 1988, and the taxation powers envisaged under various State Acts are implemented by the District Transport Offices (DTOs) functioning under the State Transport Commissioner (STC).

The levy and collection of fee on vehicles in the State is governed by the provisions of the Motor Vehicles (MV) Act, 1988; Central Motor Vehicles (CMV) Rules, 1989. Taxes on motor vehicles are governed under the Bihar Motor Vehicles Taxation (BMVT) Act, 1994; Bihar Motor Vehicles Taxation Rules, 1994 and Circulars and Government Orders, issued from time to time.

Details of annual revenue receipts from taxes on vehicles and their share in the overall tax revenue of the State during financial years (FYs) 2019-20 to 2023-24, are given in **Table 1.1**.

Table 1.1: Revenue receipts from taxes on vehicles during financial years 2019-20 to 2023-24

(₹ in crore)

Financial Year	Annual revenue receipts from taxes on vehicles	Tax revenue receipts of the State	Percentage of annual receipts from taxes on vehicles vis-a-vis tax receipts of the State
2019-20	2,712.75	30,157.98	8.99
2020-21	2,267.75	30,341.67	7.47
2021-22	2,475.09	34,854.54	7.10
2022-23	2,935.47	44,017.73	6.67
2023-24	3,357.75	48,360.69	6.94

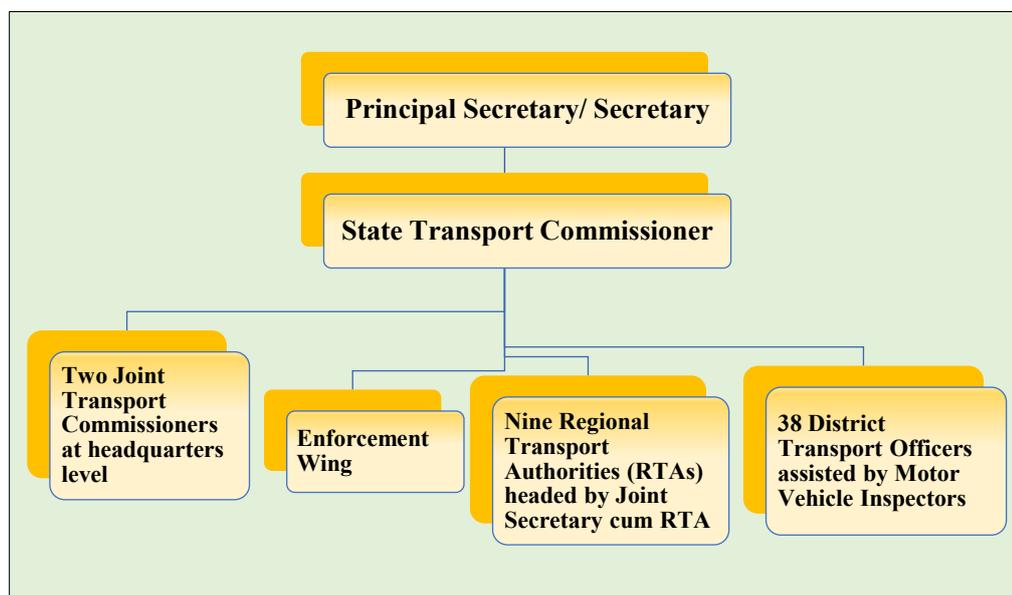
(Source: Finance Accounts of the Government of Bihar, for the respective financial year)

The Transport Department (Department) is responsible for the enforcement of the Motor Vehicles Rules and collection of tax, fine, cess, *etc.*, in the State. The power of the State Transport Authority is vested in the STC. The STA is responsible for grant of permit for interstate plying of vehicles. The STA may, issue directions to any Regional Transport Authority (RTA) to discharge its functions.

1.2 Organisational Structure

The organisational structure of the Transport Department, Government of Bihar (GoB), is given in **Chart 1.1**.

Chart 1.1: Organisational structure of the Transport Department, Government of Bihar



(Source: <https://state.bihar.gov.in/transport>)

The Department is headed by the Principal Secretary/Secretary at the Government level, and by the State Transport Commissioner at the apex level of the Department. The STC is overall responsible for regulation of use of motor vehicles and enforcement of the Motor Vehicle Legislation in the State.

The State is divided into nine Regional Transport Authorities (RTAs)¹ and 38 District Transport Offices (DTOs) and six check-posts². DTOs are assisted by the Motor Vehicle Inspector (MVIs) in the discharge of their duties. There are 97 MVIs posted at the district level and 242 Enforcement Sub-Inspectors (ESIs) attached to the office of the STC, deployed at the district level.

1.3 Major Functions of the District Transport Offices

The Motor Vehicles Act, 1988, and Bihar Motor Vehicle Taxation Act, 1994, and Rules made thereunder define the roles and responsibilities of the State Transport Authority and District Transport Offices in the State.

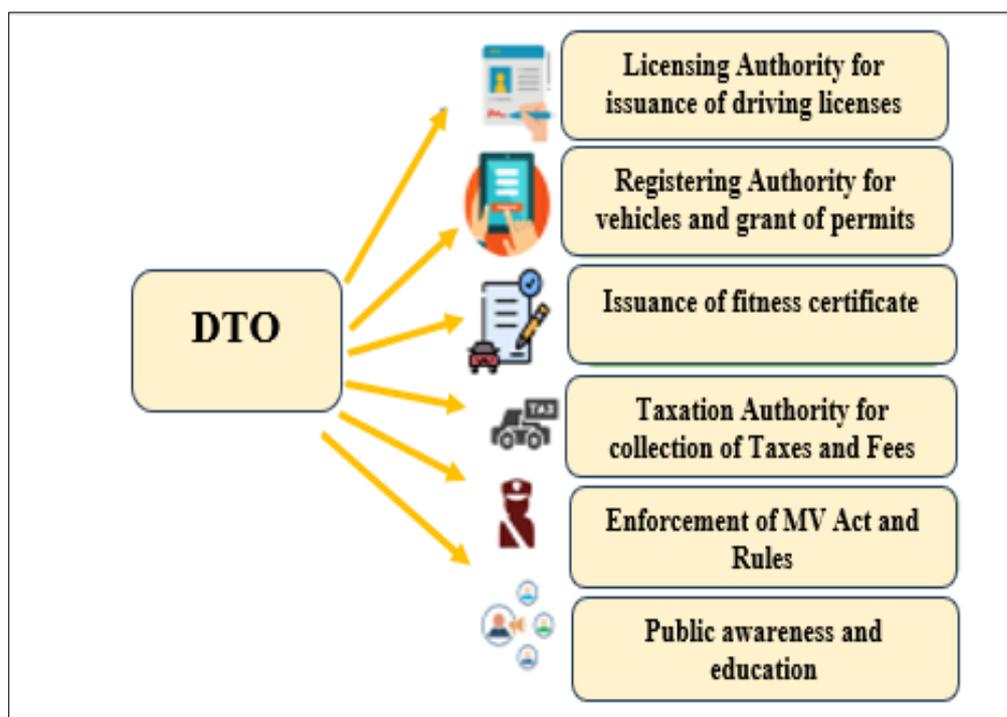
¹ (i) Bhagalpur (ii) Darbhanga (iii) Koshi (iv) Magadh (v) Munger (vi) Patna (vii) Purnia (viii) Saran and (ix) Tirhut.

² (i) Mohania (Kaimur) (ii) Balthari (Gopalganj) (iii) Dalkola (Purnia) (iv) Rajouli (Nawada) (v) Dobhi (Gaya) and (vi) Karamnasha (Buxar).

DTOs perform the work of levy and collection of taxes and fees relating to motor vehicles, driving licences and issuance of all type of permits (excluding stage carriage permit). Check Posts functioning under DTOs are responsible for monitoring the movement of interstate vehicles, levy and collection of temporary Permit Fees and for imposing fine/ penalty on erring vehicle owners/ drivers.

The key responsibilities of DTOs are given in **Chart 1.2**.

Chart 1.2: Key responsibilities of DTO



1.4 Audit Objectives

This Performance Audit on the functioning of DTOs in Bihar was conducted, keeping in view the following objectives:

- DTOs managed the issue, renewal and cancellation of licences effectively as per applicable Acts/ Rules.
- Regulation and control over registration and use of vehicles through registration, issuance of 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, road safety cess, *etc.*, as per Acts/Rules) and took effective action on arrears.
- Enforcement activities were effectively conducted by DTOs to ensure compliance with the motor vehicles Acts/ Rules, with adequate follow up to deter violations.
- DTOs have been provided with required manpower, equipment and other resources to discharge their mandate, as also to ensure public service delivery in a transparent and efficient manner.

1.5 Audit Criteria

This audit was conducted based on the following audit criteria:

- i. The Motor Vehicles Act, 1988 (MV Act);
- ii. Central Motor Vehicles Rules, 1989 (CMV Rules);
- iii. The Bihar Motor Vehicles Rules, 1992 (BMV Rules);
- iv. The Bihar Motor Vehicles Taxation Act, 1994 (BMVT Act);
- v. The Bihar Motor Vehicles Taxation Rules, 1994 (BMVT Rules);
- vi. The Bihar Motor Vehicles Taxation (Amendment) Act, 2016;
- vii. Registered Vehicle Scrapping Facility (RVSF) Rules based on the Registered Vehicle Scrapping Policy of Bihar;
- viii. Recognition, Regulation and Control of Automated Testing Station Rules, Ministry of Road Transport and Highways (MoRTH), GoI;
- ix. Notifications, instructions/circular issued by the Transport Department, from time to time including those of Ministry of Road Transport and Highways (MoRTH), GoI;
- x. Bihar Financial Rules, 2005;
- xi. Rules of Executive Business of the Government of Bihar;
- xii. Bihar Budget Manual, 2016;
- xiii. The Bihar and Orissa Public Demand and Recovery Act, 1914; and
- xiv. Bihar Right to Public Service Act, 2011.

1.6 Audit Scope, Methodology and Limitations to this Audit

Audit Scope

This Performance Audit was conducted during the period July 2024 to October 2024 covering the period from FY 2019-20 to FY 2023-24.

For selection of units for audit, stratified sampling was used where data such as, number of transport/non-transport vehicles registered, revenue generated, and number of transactions carried out through *VAHAN*³ software and number of applications uploaded on *SARATHI*⁴ software in all the 38 DTOs during 2019-20 and 2023-24 was considered. The districts were then stratified into high, medium and low risk categories based on a scoring system and samples were selected from each strata for detailed audit. Six (16 per cent) DTOs⁵ including two check posts⁶, out of 38, were selected for audit based on Stratified Random Sampling, with a maximum of three districts being selected from the high risk category, two from medium risk category and one from low risk category. In addition, the office of the State Transport Commissioner/ State Transport Authority (STC/STA), being the apex unit was also selected for audit.

³ “VAHAN” is a software system developed by Ministry of Road Transport and Highways (MoRTH), GoI, to automate and manage vehicle registration process and other related activities like fitness, taxes, permits and enforcement.

⁴ “SARATHI” is a software to manage the process to issue/grant of different types of licences to drive motor vehicles, grant of conductor’s licence and grant of licence to motor driving training school.

⁵ High risk: East Champaran (Motihari), Gaya and Patna; Medium risk: Gopalganj and Sitamarhi and Low risk: Banka. Besides, findings related to availing of tax benefits under Amnesty Scheme of Govt. of Bihar, have also been incorporated for DTOs Araria, Buxsar, Darbhanga, Madhepura, Supaul and West Champaran.

⁶ Balthari check-post, Gopalganj and Dobhi check-post, Gaya.

Audit Methodology

The audit methodology included examination of records, collection of data from the Department, data analysis, verification and examination of records in field units (DTOs) to gather audit evidence, issue of audit memos, questionnaires, conducting of Joint Physical Verification (JPV) in all the test-checked units, holding Entry Conference and Exit Conference *etc.*

In order to explain the audit objectives, its methodology, scope, coverage, focus and to elicit the departmental view/concerns, an Entry Conference was held with the State Transport Commissioner, Bihar, on 15 July 2024. Further, in order to get the responses of the Department, an Exit Conference was held on 28 May 2025. Replies received from the Department have been suitably incorporated in the Report.

Limitations to this Performance Audit

Limitations to this PA included non/partial production of vital records/information which affected coverage of issues related to human resources management in the Department and operation of Pollution Under Control Centres (PUCC) in the State. Due to non/ partial production of records/information related to total sanctioned strength of the Department and men in position posted there against, it could not be checked whether DTOs were provided with adequate staff both under technical and administrative cadres to cater to public needs. Further, due to non/partial production of records/information related to issue/renewal of licence for PUCC, number of inspections conducted by the departmental officials, number of PUC certificates issued, Audit could not check whether these centres were adhering to the standards prescribed for testing vehicular air pollution.

1.7 Structure of this Audit Report

This Audit Report is structured into seven chapters as given below:

Chapter I: Deals with Organisational set-up, Audit Objectives, Criteria, Audit Scope and Methodology *etc.*

Chapter II: Highlights discrepancies in the issue of learner's licences, driving licences, as well as grant of licence for operation of motor driving training schools/ Automated Driving Testing Centre in Bihar.

Chapter III: Highlights irregularities in registrations of vehicles and issuance of permits to vehicles without proper authorisation/documentation.

Chapter IV: Deals with improper grant of fitness certificates to transport vehicles, verification, and testing procedures, as well as insufficient enforcement measures.

Chapter V: Incorporates discrepancies in the collection of Motor Vehicle Taxes and fees, including cases of tax evasion, wrong categorisation, and unpaid Green and Trade taxes.

Chapter VI: Highlights enforcement lapses under the MV/ BMVT Act, inadequate monitoring, declining revenue collection, and incorrect levy of fines.

Chapter VII: Deals with deficiencies in promoting public awareness with regard to delivery of public service.

1.8 Acknowledgement

We acknowledge the co-operation extended by the Transport Department, Government of Bihar, in providing necessary information and records to Audit.

CHAPTER-II

ISSUANCE OF LEARNER LICENCE, DRIVING LICENCE AND LICENCES TO MOTOR DRIVING TRAINING SCHOOL

Chapter II

2 Issuance of Learner Licence, Driving Licence and Licences to Motor Driving Training School

2.1 Issue/grant of Learner's Licence

Under the provisions contained in Rule 11 of the CMV Rules, 1989, read with Section 4 and 18 of the MV Act, 1988, every applicant for a Learner's Licence shall present himself before the licensing authority on such date, place and time, as the licensing authority may appoint, for a test and satisfy such authority that the applicant possesses adequate knowledge and understanding of the matters prescribed under the Rule. No Learner's Licence shall be issued to any applicant unless he passes to the satisfaction of the licensing authority, such a test as may be prescribed.

Details of Learners' Licences (LLs) issued during FYs 2019-20 to 2023-24 in Bihar are given in **Table 2.1**.

Table 2.1: Details of LL issued during 2019-20 to 2023-24 in Bihar

Financial Year	Number of applications received for LLs	LLs Issued	Percentage of LLs issued	Applications received in test-checked DTOs	LLs issued in test-checked DTOs	Percentage of LLs issued
2019-20	8,41,195	8,41,191	99.99	2,32,018	2,32,017	99.99
2020-21	4,67,885	4,67,864	99.99	1,24,178	1,24,176	99.99
2021-22	5,05,279	5,04,952	99.93	1,37,096	1,37,028	99.95
2022-23	5,20,890	5,20,624	99.94	1,23,634	1,23,561	99.94
2023-24	5,83,951	5,83,938	99.99	1,41,714	1,41,713	99.99
Total	29,19,200	29,18,569		7,58,640	7,58,495	

(Source: Information/ data provided by the Transport Department, Government of Bihar)

Table 2.1 shows the number of applications received for issue/grant of LLs and number of LL issued in the State and all the test-checked DTOs, during 2019-20 to 2023-24. In all DTOs almost all the applicants who applied for LLs were found successful in the LL tests conducted by the licensing authorities. The percentage of successful applications ranged between 99.93 *per cent* to 99.99 *per cent*.

Audit conducted (July 2024 to September 2024) Joint Physical Verification (JPV) in six test-checked DTOs¹ with regard to LL tests. During these JPVs, Audit found that there were no records to substantiate whether the applicants had physically been present for the LL test. Results of JPVs conducted in the six sampled DTOs are detailed in **Table 2.2**.

¹ Banka, East Champaran, Gaya, Gopalganj, Patna and Sitamarhi.

Table 2.2: Details of LLs Issued on the dates of Joint Physical Verification in test-checked DTOs

Name of DTOs	Date of JPV	Number of applicants/Slots booked for LLs test on the date of JPV	Number of applicants successful in LLs test on the date of JPV	Number of applicants who actually appeared in the LL tests at the time of JPV	Number of applicants successful in LL test at the time of JPV
Banka	08 August 2024	01	01	01	01
East Champaran	29 July 2024	177	173	03	0
Gaya	31 July 2024	48	45	03	0
Gopalganj	17 August 2024	193	189	03	01
Patna	07 July 2024	148	142	04	02
	09 September 2024	160	157	03	02
Sitamarhi	02 September 2024	62	59	04	01
Total		789	766	21	7

(Source: SARATHI data of the respective DTO)

Table 2.2 shows that as per ‘SARATHI’ database, a total of 789 applicants booked slots and appeared in the LL tests on the dates of JPV conducted during the period from 07 July to 09 September 2024, in the six test-checked DTOs. Of this, 766 applicants (97.08 per cent) were found successful in the test on the dates of JPV, as per ‘SARATHI’ database. However, during JPV, it was seen that, only 21, out of these 789 applicants were present for LL test. Out of these 21 applicants, only seven (33 per cent) completed their test successfully. Thus, it is clear that the number of candidates shown as appeared and successfully passing the test were much higher than those who actually appeared for the LL test during the JPVs. This indicates issuance of LL without physical appearance of the candidate and without testing the driving testing skills and capability of the candidate.

The Department replied (April 2025) that every applicant, applying for an LL was to complete a tutorial on safe driving, electronically on a portal. It was also stated that LL were issued to only those applicants who were present and qualified for the test. However, in the light of audit observation, attendance register of the applicants would be maintained.

The reply of the Department is not acceptable as the tutorial is optional for applicants. Further, on the dates of JPV, only 21 applicants appeared for the LL tests, although 766 LL were granted on these dates.

2.2 Issue/ grant of motor vehicle driving licences

Rule 15 of the CMV Rules provides that the test of competence for driving shall be conducted by the licensing authority or any such other authority. Before issuance of driving licence in his/her name, the applicant would need to satisfy the person conducting the test that he/she is able to drive the motor vehicle as per prescribed Rules.

Details of motor vehicle driving licences (DLs) issued during FYs 2019-20 to 2023-24 in the State are given in **Table 2.3**.

Table 2.3: Details of driving licences issued in the State during FYs 2019-20 to 2023-24

Financial Year	No. of applications received for DLs	No. of new DLs issued	Percentage of new DLs issued	No. of applications received in test-checked DTOs	No. of new DLs issued in test-checked DTOs	Percentage of new DLs issued
2019-20	8,78,206	8,78,177	99.99	2,83,302	2,83,293	99.99
2020-21	8,16,899	8,16,889	99.99	2,37,202	2,37,201	99.99
2021-22	7,55,792	7,54,826	99.87	1,86,688	1,85,726	99.48
2022-23	7,17,686	7,17,686	100.00	1,79,780	1,79,780	100.00
2023-24	6,09,681	6,09,679	99.99	1,52,999	1,52,999	100.00
Total	37,78,264	37,77,257		10,39,971	10,38,999	

(Source: Transport Department, Government of Bihar)

Table 2.3 indicates the number of applications received for issue/grant of new DLs and the number of new DLs issued in the State and test-checked DTOs, during the period 2019-20 to 2023-24. Almost all the applicants who applied for grant of DLs were found successful in the driving skill tests conducted by the concerned Motor Vehicle Inspector (MVI). Based on this, driving licences were granted by the concerned licensing authority. The percentage of successful applicants ranged between 99.87 per cent to 100 per cent.

Audit conducted (July 2024 to August 2024) JPVs with respect to skill tests for issue of DLs in five² test-checked DTOs and found that the number of applicants who appeared in the driving skill tests on the dates of JPV was lesser than the number of slots booked and the number of DLs granted, as per 'SARATHI' database. Audit further noticed that no records were being maintained to confirm the physical presence of applicants. Results of JPVs in the sampled DTOs are detailed in Table 2.4.

Table 2.4: Details of DLs Issued and Joint Physical Verification of the test-checked DTOs

Name of DTOs	Date of JPV	No. of Slots booked by applicants for DL test	No. of applicants successful in DL test	No. of applicants appeared in the DL test during JPV	No. of applicants success in the DL test during JPV
Banka	06 August 2024	29	22	03	03
East Champaran	23 July 2024	289	274	03	02
Gaya	24 July 2024	122	120	01	01
Gopalganj	20 August 2024	155	142	02	02
Sitamarhi	30 August 2024	308	298	01	01
Total		903	856	10	09

(Source: SARATHI data of respective DTOs)

Audit noticed that on the dates of JPV, the number of candidates shown as having appeared and succeeded in the tests was much higher than what was actually witnessed during the JPV. On the given dates of the JPV in these DTOs, a total of 903 slots were booked by applicants for DL tests. During the

² Except DTO, Patna, wherein DL tests were being conducted through an Automated Driving Testing Centre. Audit observation on DTO, Patna, regarding issuance of DL has been highlighted in Para 2.5.

JPV, Audit noticed that of these only 10 candidates physically appeared for the tests but the DL (as per ‘SARATHI’ database), was granted to 856 successful candidates. This shows that DLs were granted without even physical appearance of the candidate, let alone testing the driving capability of the candidate.

Further, Audit scrutinised the data available at the Automated Driving Testing Centre (ADTC)³ Patna, functioning under DTO, Patna (**Paragraph 2.5**) and found that in case of tests conducted at this automated testing centre (which ensures attendance of the applicants by recording their face during entire period of test), the success rate⁴ of DLs skill test ranged between 69.43 to 89.42 *per cent* only but in case of the five test-checked DTOs, where tests were conducted manually, the success rate of DLs skill test was almost 100 *per cent* (April 2019 to March 2024). This indicated that the success rate was much lower/ realistic due to assurance of physical presence at ADTC in comparison to manual processes at other DTOs.

The Department replied (April 2025) that: (i) the attendance register had been maintained for applicants who appeared in DL tests (ii) the tests were conducted for the applicants who appeared physically and (iii) the physical presence of applicants for the driving licence tests could not be conclusively determined solely based on their absence, presence, or success on a particular date.

The reply of the Department is not acceptable as records related to the physical presence of the applicants were not available in any test-checked DTOs. Further, on the date of JPV, only 10, out of 903 slots booked by the applicants appeared in their tests. Of which, nine applicants passed their tests, although DLs were granted to 856 applicants on such dates. This indicates that 847 DLs were granted without physical presence of applicants and without any test of their driving skills.

2.3 Irregular grant of driving licence for Heavy Motor Vehicles

Rule 15(3)(f) and (3)(k) of the CMV Rules, 1989, prescribed driving skill tests for all class of vehicles including Heavy Motor Vehicles. These Rules also state that the applicant would need to satisfy the person conducting the test that he/she is able to drive the vehicle as per the prescribed rules.

Audit scrutinised the ‘SARATHI’ database of five DTOs⁵ and noticed that 77 slots were booked for conducting driving skill test for HMV on the dates of the JPV. It was, however noticed from records available that only one driving skill test was actually conducted for HMVs on these dates of JPV, but 73 licences were granted as detailed in **Table 2.5**. This shows that DLs for HMV

³ A centre for conducting driving skill tests for two wheeler and LMV.

⁴

Period	No of candidates appeared in DL test	No of candidates Success in DL test	Success rate in per cent
July 2021 to March 2022	8,212	5,702	69.43
April 2022 to March 2023	32,467	29,032	89.42
April 2023 to March 2024	51,005	44,859	87.95
Total	91,684	79,593	86.81

⁵ East Champaran, Gaya, Gopalganj, Sitamarhi and Patna.

were issued without even physical presence of the candidates, let alone testing the capability of the candidates.

Table 2.5: Number of slots booked for driving skill test and licence issued

Name of DTOs	Date of JPV	No. of driving skill test slots booked for heavy motor vehicles	No. of licences granted for heavy motor vehicles	No. of skill tests conducted during JPV
East Champaran	23 July 2024	14	14	0
Gaya	24 July 2024	9	9	0
Gopalganj	20 August 2024	37	34	0
Sitamarhi	30 August 2024	07	06	0
Patna	12 September 2024	10	10	1
Total		77	73	1

(Source: SARATHI data of respective DTOs)

In response to the audit observation, the Department did not furnish any relevant reply and stated (April 2025) that DLs for HMV were issued to those applicants who previously held DL for driving LMV, after completion of compulsory one month of HMV driving training. Issue of driving licence to drive HMV without conducting skill tests not only undermines the integrity of the licensing process but also poses a significant risk to road safety and public security.

2.4 Inadequate driving skill testing infrastructure

During JPV of driving skill testing infrastructure in four DTOs⁶, it was found that there was lack of required facilities/infrastructure for providing a comfortable and convenient experience for candidates taking the driving skill test, as detailed in **Table 2.6** and shown in **Image 1 to 4**.

Table 2.6: Lack of driving skill testing facilities/infrastructure in sampled DTOs

Sl. No.	Name of DTO	Lacking facilities/infrastructure
1	Banka	The approach road for entrance of vehicles at the testing track was not constructed. The driving tests were being conducted for two-wheelers and light motor vehicles only. No track was found available for conducting skill tests for heavy motor vehicles.
2	East Champaran	The testing track did not have any boundary walls to prevent unauthorised public entry. Further, markings for lanes/tracks to test the skills of the applicant, were absent.
3	Sitamarhi	Testing track area was not maintained properly as grass was growing in the grounds and there was also waterlogging. Although, CCTVs were installed and there was infrastructure for rest rooms, drinking water in the driving test ground, but these were not functional.
4	Patna	There was no dedicated track/ lane for conducting skill tests for HMVs. The MVI was conducting the skill tests in front of the DTO building where vehicles were parked on both sides of the road.

⁶ Banka, East Champaran, Sitamarhi and Patna.



Image 1: Damaged Driving Testing Track in East Champaran (Motihari)

Image 2: Driving tests being conducted without any marking on track, and boundary walls in East Champaran (Motihari)



Image 3 and 4: Driving Skill Test of HMV being conducted in front of the building of DTO, Patna (12 September 2024)

The Department replied (April 2025) that: (i) the issue of construction of the approach road in DTO, (Banka), has been taken up with the Building Construction Department (ii) in DTO, East Champaran (Motihari), driving testing track has been constructed, & construction of the boundary wall is under process (iii) in case of DTO, Sitamarhi, the constructed driving track is in a low lying area leading to growth of grass during the rainy season. Arrangements for drinking water and public toilet were under process and (iv) in DTO Patna, HMV driving skill tests were conducted by MVI in front of Automated Driving Testing Centre road.

The Department's decision to conduct driving tests on congested public roads poses serious safety risks and violates the road safety norms.

2.5 Conduct of driving skill tests in Automated Driving Testing Centre, Patna, by relaxing the mandatory parameters

Applicants are required to satisfy all the mandatory criteria⁷ as stipulated under Rule 15 (3) of CMV Rules, 1989, before being granted certificates/licences.

⁷ Has total 24 parameters to conduct test to check that applicant is able to: (i) stop/restart the vehicle on a steep upwards incline (ii) in case of vehicle having with reverse gear, to drive the vehicles backwards and reverse the vehicle in a limited opening, either to the right or left, under his/her control and with reasonable accuracy (iii) make 'Reverse "S" formation and "Gradient-Track/Uphill" etc.

ADTC, Patna, conducts driving skill tests of two-wheeler and LMVs, under the supervision of DTO Patna.

During scrutiny of records Audit observed that a Committee was constituted (April 2021) at the apex level (STC) to finalise the applicable criteria related to conducting of driving skill tests by ADTC, Patna. These criteria including satisfying the mandatory parameters under CMV Rules were approved by the Committee for adoption (July 2021) by ADTC, Patna for conducting the relevant tests.

Subsequently, DTO, Patna, requested the Department (August 2021) for relaxation in the criteria stating that strict mandatory conditions have resulted in lesser number of applicants appearing for driving skill tests at the ADTC. In pursuance of the request, the Department constituted (September 2021) a Departmental Review Committee which recommended (September 2021) that the ADTC assess driving skill tests based on marks in place of mandatory passing in different segments of the driving skill test. This was adopted by DTO & ADTC Patna in September 2021 and driving skill tests were then conducted according to these recommendations.

Thus, due to relaxing of the passing the test for all the mandatory parameters prescribed in CMV Rule 15 (3) and assessment of the driving skills of the applicants only on the basis of total marks obtained by them, chances of granting licence to unskilled applicants cannot be ruled out.

The Department replied (April 2025) that: (i) driving skill tests in ADTC, Patna, were being conducted in an automated mode as per the provisions of Rule 15 (3) of the CMV Rules, with availability of all the modules prescribed and (ii) minimum passing marks were required for all the successful applicants and the Department had not relaxed any parameters for conducting driving skill test.

The reply of the Department is not acceptable, as even those applicants who scored 'Zero' marks under various driving segments of "Gradient -Track / Uphill" and "Reverse 'S' formation" had passed the test and got the driving licence. This discrepancy raises concerns about the reliability of the driving test process at ADTC Patna as per the CMV Rule 15 (3). Further, segments of driving skill test such as Maneuverability in obstacles and Reverse parking being conducted by ADTC Aurangabad had not been adopted by ADTC Patna.'

2.6 Assessment of driving skill testing in ADTC Patna

An Automated Driving Testing Centre (ADTC) had been established (July 2021) in Patna, for conducting driving skill tests of two-wheelers and LMVs. The Centre is functioning under supervision and control of DTO, Patna.

JPV of driving skill test at ADTC, Patna, was conducted with Motor Vehicle Inspector on 11 September 2024. On the date of the JPV 521⁸ slots were booked by the applicants for driving skill test against which JPV was conducted for skill test of 23 applicants. Out of these 23, six applicants for two-wheeler and 11 for LMV were found successful in driving skill tests conducted during JPV.

Further, Audit analysed records pertaining to results of driving skill test conducted for 283 LMV and 313 two wheelers, related to ADTC, Patna, for the

⁸ 229-LMV; 286-Motor Cycle with Gear; 03-TRANS (Heavy Motor Vehicle); 03-E-rickshaw.

period July 2021 to September 2024. On analysis it was noticed that against the required score of 60 (out of 100) for passing the test, 152 successful applicants in LMV test were allocated equal scores of 70. Further, the applicants were declared passed even after failing the mandatory segments of driving tracks⁹, in violation of Rule 15 (3) of the CMV Rules. Declaration of applicants as successful without qualifying the mandatory segments, indicated that in ADTC, Patna, the skill tests for driving LMV were not being conducted as per the prescribed parameters.

The Department did not provide any reply regarding reasons for conducting driving skill test only on marks basis in ADTC Patna and declaration of applicants as successful without qualifying the mandatory segment of the driving test.

2.7 Operation of Motor Driving Training Schools

Rule 24 of CMV Rules read with Section 12 of MV Act provides that no person shall establish or maintain any driving school or establishment, for imparting instructions for hire or reward in driving motor vehicles without a licence granted by the licensing authority. Under the provision of these Rules, the Transport Department, GoB, introduced (December 2020) an incentive scheme for establishment of Motor Driving Training Institutes. The purpose of this scheme was to provide quality education to individual citizens through establishment of modern technology-based schools, for reduction in road accidents and for smooth functioning of traffic, as well as to ensure availability of skilled and trained drivers who will benefit from employment opportunities *etc.*

Under this incentive scheme following infrastructure was required for setting up the Motor Driving Training School and grant of licence therein:

- (a) Classroom seating facility with writing pad chairs for 40 trainees
- (b) Biometric attendance sheet for trainees
- (c) Premises of school covered with CCTV Camera for monitoring of actual training;
- (d) Driving track of minimum length of 150 metre
- (e) Trainees practice track constructed in zig-zag, uphill, reverse downhill, 8 shape opposite parallel parking, reverse S-training track
- (f) Projector and audio/video system in training class room
- (g) Two vehicles for each class of training with dual control check (*viz.* clutch and brakes on the sides of both driver and trainer) and
- (h) Simulator for each class of vehicle *etc.*

The Department authorised the District Magistrates to grant licences for setting up of motor vehicle driving training school (MDTS), based on recommendations received from the concerned DTOs. The DTOs were empowered to monitor the activities of these training schools, as per the provisions of the Rule *ibid.*

Audit conducted the JPV of five MDTSs with MVIs in five test-checked DTOs¹⁰ and observed that MDTSs were being operated without possessing all the required infrastructure, as detailed in **Table 2.7**.

⁹ Such as 'Reverse "S" formation and "Gradient-Track/Uphill".

¹⁰ Banka, East Champaran, Gaya, Gopalganj and Patna.

Table 2.7: Details of irregularities observed during JPV of Motor Vehicle Training Schools

Sl. No.	Irregularity observed	Name of Motor Vehicle Training School (DTO)
1.	Vehicles being used for providing training were plying without valid fitness certificate, insurance and PUC	Damodari Devnarayan Motors Driving Training School (Banka), Golden Camp Motor Driving Training School (Gaya), and Bihar Motor Training School by Lila NRS JV, Nadawan (Patna) (3)
2.	None of the LMV vehicles being used for providing training was equipped with dual control system	Damodari Devnarayan Motors Driving Training School (Banka), Champaran Driving Training Institute (East Champaran) and Bihar Motor Training School by Lila NRS JV, Nadawan (Patna) (3)
3.	Biometric attendance facility not available	Damodari Devnarayan Motors Driving Training School (Banka), Golden Camp Motor Driving Training School (Gaya), Tej Sing Motor Training School (Gopalganj), Champaran Driving Training Institute (Motihari) and Bihar Motor Training School by Lila NRS JV, Nadawan (Patna) (5)
4.	Driving training track with mud and grass and without CCTV	
5.	Length of training tracks was below the prescribed norms. Track did not have zigzag, uphill-reverse-downhill, opposite parallel parking, reverse-S formation <i>etc.</i> ,	

As can be seen from **Table 2.7**, all the five test-checked MDTS lacked: (i) biometric attendance facility (ii) training tracks made with RCC/brick soling and covered with CCTV (iii) training tracks having length as per prescribed norms and (iv) Zigzag, uphill-reverse-downhill, opposite parallel parking, reverse-S formation *etc.* Further, three out of five MDTS did not have: (i) vehicles with valid fitness certificate, insurance and PUC and (ii) LMV vehicles equipped with dual control system. Some of the above mentioned irregularities can be seen in **images 5 and 6**, taken during JPV conducted with the officials of the Department.



Images 5: Use of old vehicle for driver training in Tej Sing Motor Training School (Gopalganj)

Image 6: Damaged testing track for LMV and two wheeler in Bihar Motor Training School by Lila NRS JV, Nadawan (Patna)

Further, the MDTS situated at Nadawan (Patna) was also inspected (May 2024) by the ADTO Patna and similar irregularities were found. A report of these findings was sent to the Department in May 2024 by ADTO but the same was not communicated to the licensing authority (District Magistrate). Even after lapse of more than three months (as of September 2024), neither did the Department nor DTO, Patna, take any action to ensure that the deficiencies pointed out in the report are eliminated. This defeated the aim of the Government to establish modern technology based motor driving schools that could provide quality education.

DTO, Patna in fact, continued to issue DLs for HMV, on a regular basis based on certificates issued by this MDTS. Further, during the period 2022-23 and 2023-24, 4,320 applicants were found enrolled¹¹ in these five MDTS who also got completion certificates of training from these institutes. This not only indicates failure on part of the licencing authority but also the risk of licences being issued to inadequately trained drivers.

The Department while accepting audit observations replied (April 2025) that necessary instructions have been issued to concerned DTOs to rectify the deficiencies noticed in Motor Driving Training Schools.

¹¹

Name of DTO	Name of MDTS	Number of applicants enrolled
Banka	Damodary Deonarayan	12
East Champaran	Champran Driving Training Institute	174
Gaya	Golden Camp	448
Gopalganj	Tej Singh	3,395
Patna	Bihar Motor Driving School	291

2.8 Conclusions and Recommendations

Audit observed systemic inefficiencies in the offices of the District Transport Officers *viz.*, inadequate testing procedures and infrastructure which raise questions about road safety. Furthermore, motor driving training schools were being operated without possessing all the required infrastructure. Besides, presence of applicants during driving tests was not being ensured.

Based on the audit findings, the Department may consider the following recommendations:

Recommendation 1: The Department may develop a robust system to ensure that LLs/DLs are issued only after actual attendance (ensured through biometrics, facial recognition etc.) and appropriate testing of the applicants.

Recommendation 2: The Department may ensure that licences to Motor Driving Training Schools are issued only after fulfilment of requisite infrastructure requirements.

CHAPTER-III

ISSUANCE OF CERTIFICATE OF REGISTRATION AND GRANT OF PERMITS TO TRANSPORT VEHICLES

Chapter III

3 Issuance of Certificate of Registration and grant of permits to Transport Vehicles

3.1 Issue/ grant of certificate of registration to vehicles

Section 39 of MV Act stipulates that a motor vehicle shall not be permitted to be driven in any public place unless the vehicle is registered and the certificate of registration of the vehicle has not been suspended or cancelled, and the vehicle carries a registration mark displayed in the prescribed manner. Further, Section 41 of MV Act provides that in the case of a new motor vehicle, the application for registration of the vehicle in the State shall be made by the dealer of such motor vehicle.

The number of vehicles registered in the 38 DTOs of the State and in the test-checked DTOs, during the period 2019-20 to 2023-24, are detailed in **Table 3.1**.

Table 3.1: No. of vehicles registered in the State

Year	Vehicles registered in Bihar	Vehicles registered in test-checked DTOs	Percentage of registration in test-checked DTOs
2019-20	13,61,586	3,26,755	24.00
2020-21	9,08,545	2,31,168	25.44
2021-22	9,97,863	2,63,773	26.43
2022-23	11,75,481	3,21,363	27.34
2023-24	13,19,613	3,46,259	26.24
Total	57,63,088	14,89,318	

(Source: Transport Department, Government of Bihar)

3.1.1 Registration of Bharat Stage-IV vehicles after cut-off date

The Supreme Court of India, ordered (24 October 2018) that no Bharat Stage-IV (BS-IV) vehicle would be sold and registered after 31 March 2020. Accordingly, the Department issued (March 2020) an order in this regard to prohibit sale and registration of BS-IV vehicles after 31 March 2020.

Later, the Supreme court of India, in light of WP(C)No.13029 of 1985, stated (19 August 2020) that there were unusually large number of BS-IV vehicle transactions inter se dealers¹, which had taken place during the lockdown period effective from 25 March 2020. However, the Court ordered that these cannot be recognised for the purpose of actual sales and registration, since these transactions were not sales to customers. The registration of only such BS-IV vehicles was permitted (after March, 2020) where sales had been uploaded on the 'VAHAN' software, and where although Temporary Registrations were done, these could not be fully registered during the month of March 2020.

In light of the orders of the Supreme Court of India, the Department issued (21 August 2020) a directive to all the DTOs, for compliance with these orders.

¹ In favour of one dealer to another or dealer itself.

In this regard, Audit scrutinised new vehicle registration data for the six sampled DTOs, in 'VAHAN' software and observed that:

(i) In two DTOs (Gopalganj and Patna), 527 vehicles², (out of 1,52,724) BS-IV vehicles were found registered in the name of inter se 36 dealers, during the period March 2020 to April 2021. These registrations were in violation of the orders of the Supreme Court of India and directives of the Department, as these could not be considered as actual sales. Subsequently, in Patna, 27 dealers sold 396 (of the 527) vehicles to customers and requested DTO, Patna, to transfer ownership of these vehicles from dealer to the customer. DTO, Patna, in violation of the departmental directives, accepted the request of these dealers and transferred (between June 2020 and November 2023) the ownership of these 396 vehicles, in favour of other customers.

(ii) As per Section 43 of the MV Act, 1988, Temporary Registration is valid for one month and is not renewable. In both the Gopalganj and Patna DTOs, it was noticed that 212 BS-IV vehicles³ were allowed registration between April 2020 to July 2021, despite the fact that Temporary Registrations of these vehicles were issued between August 2017 and January 2020 and had elapsed. Therefore, registration of these vehicles did not fall under the relaxation period (up to 31 March 2020).

(iii) In DTO, Gopalganj, in case of 52 BS-IV vehicles (purchased between 18 March 2020 and 27 March 2020), dealers applied for new registration after the relaxation period (after 31 March 2020) but the same was approved by the DTO on 10 April 2021, after lapse of the relaxation period by more than one year. Further, registration of four unregistered⁴ BS II and BS IV vehicles was also allowed by DTO, Gopalganj, although their registration was to commence only after the cutoff date (of 31 March 2020).

These approvals of registration were irregular and were not in compliance with either the directions of the Supreme Court of India or of the directives issued by the Department.

The Department replied (April 2025) that in DTO, Gopalganj, registration of BS-IV vehicles had been banned w.e.f. April 2020, in compliance with the Supreme Court's orders and only such vehicles, which had Temporary Registration uploaded on VAHAN Portal up to March 2020, had been registered.

The reply of the Department is not acceptable as: (i) no reply was furnished regarding registration of 54 vehicles in the name of inter se dealers in DTO Gopalganj and transfer of ownership in 396 cases under DTO Patna (ii) in all the 212 cases, Temporary Registrations were found to be more than one year old, but despite this, the vehicles were allowed to register (iii) DTO, Gopalganj, approved registration of 52 new vehicles on 10 April 2021 *i.e.*, after the lapse of one year for which the tax was paid by dealers in the month of April 2020.

² DTO Gopalganj: 54 vehicles (02 dealers) and DTO Patna: 473 vehicles (34 dealers).

³ DTO Gopalganj: 32 vehicles and DTO Patna: 180 vehicles.

⁴ BR28XXXX06, BR28XXXX48, BR28XXXX62 (BS IV) and BR28XXXX58 (BS II).

3.1.2 Entry of wrong purchase date in 'VAHAN' software by authorised dealers to avoid levy of penalty on tax

As per Rule 47 of the CMV Rules, 1989, application for registration of a vehicle is required to be submitted along with a certificate of sale, certificate of insurance of that vehicle generated thereafter and appropriate registration fee and tax. Further, Section 192(B)(4) of MV (Amendment) Act, 2019, stipulates that if a dealer, obtains a certificate of registration for a vehicle on the basis of any false documents or false representation of any facts, this shall be punishable with a fine. The amount of fine shall be equal to ten times, the amount of annual road tax (transport vehicles) or two-third the lifetime tax of the motor vehicle (non-transport vehicles).

Further, the Department instructed (December 2018) that in case of dealer point registrations, all dealers should pay the registration tax to the DTO within two days of the sale of all types of vehicles. Then all registration related documents be uploaded in the 'VAHAN' software.

Besides, Rule 4 (2) of the BMVT Rules, 1994, stipulates that in case of transport vehicles, a grace period for 15 days from the date of purchase of the vehicle is allowed for payment of tax. In case of a delay, penalty ranging between 25 per cent to 200 per cent shall be leviable from the date of purchase of the vehicle.

Audit scrutinised dealer point registration data including vehicle history⁵ and insurance details⁶, as available in the 'VAHAN' software in all the six test-checked DTOs. During scrutiny of registration data, Audit observed that 861 authorised dealers⁷ (out of 1,551 dealers) entered the wrong purchase date in case of 18,851 vehicles (14,136 Non-transport vehicles and 4,715 transport vehicles). In all such cases, the date of insurance of vehicle was found to be prior to the date of purchase those vehicles. The date of purchase entered into 'VAHAN' software post-dated the insurance date by eight to 1,246 days. This indicates population of wrong sale date of vehicles by the concerned dealers, in these cases, which in turn, resulted in submission of wrong information to the concerned DTOs, attracting penalty as stipulated in Section 192 (B)(4) of the MV Act, as well as delayed payment of tax.

Further, due to entering of date of purchase post the date of insurance, 'VAHAN' software was unable to accurately calculate the amount to be levied as penalty

⁵ Vehicle history means details of activity of that vehicle entered under this sheet such as history of owner, purchase, registration, payment of tax and fee, fitness, insurance, permit, blacklisting etc. Initial details of a vehicle are entered by the dealer.

⁶ Insurance details of a vehicle are generated automatically in 'VAHAN' software when chassis no. of that vehicle is entered for insurance at the time of its sale.

⁷

Name of DTO	No. of dealers involved	No. of vehicles involved	
		(Transport)	(Non-Transport)
Banka	71	213	1,016
East Champaran	63	360	722
Gaya	148	1,261	2,940
Gopalganj	76	439	4,079
Patna	432	2,140	3,638
Sitamarhi	71	302	1,741
Total	861	4,715	14,136

for belated payment of tax as prescribed under Rule 4 (2) of the BMVT Rules, 1994. Wrong entry of purchase date in 'VAHAN' software resulted in short realisation of revenue to the State Government, amounting to ₹ 4.35 crore, on account of belated payment of tax (ranging between 16 to 639 days) for 4,715 transport vehicles. Besides, fine of ₹4.14 crore was liable to be imposed on the dealers for submitting false information, in case of 4,715 transport vehicles (*Appendix-1*).

In addition to this, a fine of ₹13.97 crore was to be levied in case of 14,136 non-transport vehicles for submission of false information by the dealers (*Appendix-2*).

Above observations indicate that MVIs and DTOs of the concerned test-checked districts, who were responsible for verification of documents/information related to vehicles, entered by the dealers, did not exercise due diligence at the time of registration of these vehicles. Further, it also indicated lack of input controls in the 'VAHAN' software, as it accepted date of purchase of a vehicle later than the date of insurance of that vehicle.

The Department replied (April 2025) that demand notices had been issued to authorised dealers by the test-checked DTOs for realisation of penalty from the purchase date of the vehicle. Further, the provision to collect the penalty from purchase date of the vehicle has now been mapped in 'VAHAN' software.

The reply of the Department is not acceptable as provision for levy of penalty in case of transport vehicle had already been mapped into 'VAHAN', but in the cases highlighted by Audit, correct purchase date was not entered by the concerned dealers. For non-transport vehicles, provision for levy of penalty was not mapped into the 'VAHAN' software.

3.1.3 Absence of provision for levy of penalty on non-transport vehicles for belated payment of tax

In light of provisions contained in Rule 47 of the CMV Rules, 1989 and instructions issued (December 2018) by the Department for dealer point registrations in Paragraph 3.1.2 *ibid*, Audit scrutinised non-transport vehicle registration data in the 'VAHAN' database in six test-checked DTOs.

During scrutiny, it was observed that during the period April 2019 to March 2024, in case of 1,39,530 non-transport vehicles (out of 11,95,509 vehicles), authorised dealers deposited Motor Vehicle Taxes (One Time Tax) and fees (registration fee) with delay of 16 days to 3,658 days.

It was noticed that there was no provision in the BMVT Rules, 1994, for levy of penalty in case of belated payment of tax and fee, for non-transport vehicles. Due to absence of any deterrent measure in the Rules, for delayed payment in case of dealer point registration for non-transport vehicles, the dealers kept Government money with them for 16 days to 3,658 days.

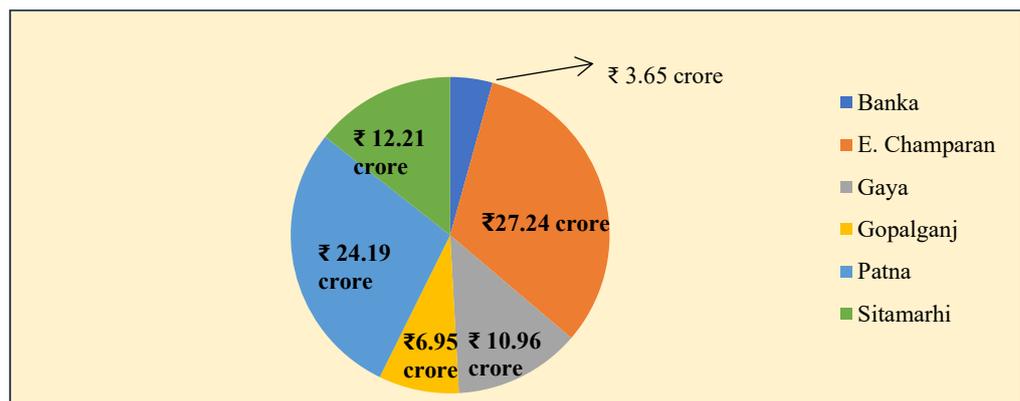
Further, as per Rule 43 of CMV Rules, 1989, every dealer holding a trade certificate for vehicles, has to maintain a register of stock and has to produce this register to the concerned registering authority (DTO), whenever required by that authority.

Therefore, although there was no provision in the BMVT Rules, the concerned DTOs could have checked the stock of the dealers in light of CMV Rules and could have taken action for violation of departmental directives (December 2018) which state that dealers should pay the registration tax to the DTO within two days of the sale of all types of vehicles. However, neither the DTOs detected any delay in deposit of tax and fee while approving the registration of vehicles, nor did they raise the issue of non-availability of penal provision in BMVT Rules, at the appropriate levels.

Had there been a penal provision for delayed payment of tax and fee by dealers for non-transport vehicles similar to Rule 4 (2) of the Bihar Motor Vehicle Taxation Rules, 1994 (for transport vehicles), the Government would have realised additional revenue in the shape of penalty, amounting to ₹ 85.20 crore (*Appendix-3*).

Delays on the part of authorised dealers in depositing Motor Vehicle Taxes and fees in violation of departmental instructions and BMVT Rules is shown in **Chart 3.1**.

Chart 3.1: Delayed payment of Motor Vehicle Tax and fee by authorised dealers in test-checked DTOs



The Department accepted the audit observation and replied (April 2025) that: (i) the concerned DTOs had issued demand notices to collect penalty from the dealers on account of delays in payment of Motor Vehicle Tax (ii) w.e.f. April 2021, in case of new vehicles, the registration number was issued only after payment of tax and fee and (iii) provision for levy of penalty from the purchase date of vehicle had been mapped into the 'VAHAN' software.

The reply of the Department is not acceptable as: (i) although, the certificate of registration of new vehicles is being granted after payment of tax and fee in these cases, authorised dealers were paying taxes with delays and had retained Government money with them and (ii) no documentary evidences were provided by the Department regarding mapping of penalty in the 'VAHAN' software, for belated payment of MV Tax for non-transport vehicles.

3.1.4 Registration of vehicles in case of change of At Present (AP) address

Rule 59 of CMV Rules read with Section 49 of MV Act stipulates that if the owner of a motor vehicle changes his/her address, he/she shall, within thirty days of any such change of address, intimate the new registering authority, in

the prescribed form along with NOC (obtained from previous registering authority).

Rule 4 (1) of BMVT Rules stipulates that liability for payment of tax (to the new registering authority) is the date of acquisition of the vehicle (*i.e.*, date of NOC issued by the previous registering authority).

Audit scrutinised records related to change of 'At Present' Address (AP) of residence in the RC and its related information in the 'VAHAN' database in six test-checked DTOs (from April 2019 to March 2024). In case of four DTOs⁸, it was observed that 224 applications (out of 2,751) were received for change of 'at present' address in RC, based on NOC issued outside Bihar. These applications were submitted to the DTOs with delays of up to 1,539 days from the date of NOC issued by the previous registering authority. However, the concerned DTOs levied and collected tax on 117 of these vehicles from the application date of the AP in place of calculating it from the date of issue of NOC. This resulted into short realisation of revenue amounting to ₹ 20.43 lakh (MV Tax: ₹ 4.98 lakh and Penalty: ₹ 15.45 lakh) to the State (**Appendix-4**).

This was also due to the fact that while processing the request of registration in the cases of change of AP, the new registering authority of the vehicle had to enter the date of NOC and date of application for registration manually, in VAHAN. Therefore, in the case of entering dates different either from the date of NOC or date of application, VAHAN software may not calculate leviable MV Tax and penalty.

The Department while accepting the audit observation replied (April 2025) that the notice had been issued to concerned vehicle owners for recovery of tax and fees. Further, penalty for delays in submission of application in case of change of residence has been mapped in 'VAHAN' software.

3.1.5 Transfer of ownership of auctioned vehicles without realisation of Motor Vehicle Tax

Rule 57 of the CMV Rules stipulates that the person who has acquired or purchased a motor vehicle at a public auction conducted by or on behalf of the Government shall make an application to the registering authority in prescribed form within 30 days of taking possession of the vehicle.

Further, in light of criteria mentioned in Paragraph 3.1.2 *ibid*, in case of transport vehicles, a grace period for 15 days from the date of purchase of the vehicle is allowed for payment of tax. In case of delay, penalty ranging between 25 *per cent* to 200 *percent* shall be leviable from the date of purchase of vehicle.

Audit scrutinised registration data of auctioned vehicles in the 'VAHAN' database in six test-checked districts. In case of two DTOs⁹ it was observed that 10 out of 94 goods carriages¹⁰ test-checked, were auctioned during November 2021 to November 2023. These 10 carriages were allowed to transfer ownership (February 2022 to May 2024), without realising the applicable leviable MV Tax from the date of acquisition of auctioned vehicles, as per Rule 4(1) of the BMVT Rules. This resulted in short realisation of

⁸ East Champaran, Gopalganj, Patna and Sitamarhi.

⁹ Patna and Sitamarhi.

¹⁰ Five cases each in Sitamarhi and Patna.

revenue of ₹ 5.73 lakh (MV Tax: ₹1.91 lakh and Penalty: ₹ 3.82 lakh) (Appendix-5).

The Department replied (April 2025) that as per its directives, liability for payment of dues is not applicable in case of vehicle seized under the Excise and Prohibition Act, 2016, as they become 'Free from Encumbrance'.

The reply of the Department is not acceptable as in these cases, new owners of vehicles were liable for payment of tax from the date of acquisition of the auctioned vehicles. Due to non-payment of tax by the new owners of the auctioned vehicles, they became tax defaulters and were liable for recovery of tax along with penalty.

3.2 Availing of Amnesty Scheme by newly purchased unregistered vehicles

An Amnesty Scheme was brought out by the GoB, with the aim of granting amnesty to the owners registered/unregistered vehicles of tax defaulters¹¹.

During the period July 2017 to June 2020, there were several notifications issued by the GoB with respect to the Amnesty Scheme with different timelines applicable for tractor-trailers being used for agricultural/commercial activities and other transport vehicles.

Details of the notifications issued under the Amnesty Scheme are given in Table 3.2.

Table 3.2: Details of notifications for Amnesty Scheme

Notification No. and date	Period of effect for registration/Regulation of vehicles	Timeline applicable for ascertaining the tax defaulter vehicles	Provisions of the Scheme
			For tractor-trailers used for agricultural/commercial activities
583 dated 05 July 2017	05 July 2017 to 04 January 2018 (six months)	Up to 04 July 2017	To be registered/ regulated on deposit of lump sum amount of ₹ 25,000.
194 dated 08 March 2018	08 March 2018 to 30 June 2018 (Extension of previous notification)		
1262 dated 15 November 2019	15 November 2019 to 12 February 2020 (90 days)	Up to 14 November 2019	
335 dated 01 June 2020	01 June 2020 to 30 September 2020 (Extension of previous notification)	Up to 31 May 2020	

As per the notification of the GoB, the benefit of Amnesty Schemes was applicable only for those tractor-trailers which were being used for agricultural/commercial activities and became defaulter prior to the date of publication of such notifications.

Sections 7 (3) and 7(8) of the BMVT Act, 1994, provides for levy of tax on Tractor, at the rate of 4.5 per cent on their ex-show room price. Further, penalty, ranging between 25 and 200 per cent of the tax due, in case of non-payment of

¹¹ For this paragraph, tax defaulter vehicles are the vehicles which did not pay their taxes within 15 days of the date of expiry of the period for which the tax had been last paid or from the date of acquisition of the vehicle or the date when such tax is imposed by law {Rule 4(1) and (2) of Bihar Motor Vehicle Taxation Rules, 1994}.

tax within 15 days of the due date, was to be levied as per Rule 4(2) of the BMVT Rules, 1994.

Audit scrutinised the 'VAHAN' database of seven DTOs¹² and noticed that 13,914 test-checked vehicles were registered with these DTOs during the period of the Amnesty Scheme. Out of these, 3,785 vehicles were registered (September 2017 to September 2020) after availing the Amnesty Scheme.

It was observed that although 539 Commercial Tractors were purchased during the period the Scheme (*i.e.*, July 2017 to September 2020) and were to be registered under the regular process of registration, these tractors were found to be registered under the Amnesty Scheme (between July 2017 and July 2021). The owners of these 539 tractors irregularly availed the benefit of this Scheme by paying only the stipulated lump sum amount of tax ₹25,000. Although, they were liable to pay the requisite payment of tax at the rate of 4.5 *per cent* of cost of vehicles, along with leviable penalty for delay in payment of such a tax (as applicable). This led to a loss of revenue of ₹1.62 crore (*Appendix-6*).

On this being pointed out, five DTOs¹³ stated (May 2022 to February 2023) that the vehicles were registered under the Amnesty Scheme, due to lack of validation checks in the 'VAHAN' software. DTO, Banka and Darbhanga stated (July to December 2022) that, the demand would be raised. Further reply has not been received (April 2025), from the Department.

3.3 Issue of certificate of deposit by the Registered Vehicle Scrapping Facility without clearance of financial dues of the vehicles

According to notification issued (September 2021) by MoRTH, GoI, the provision of sub rule (1) (c) of Rule 3 of CMV Rules, 1989, provides that on receipt of a vehicle for scrapping, the Registered Vehicle Scrapping Facility (RVSF) was to issue a certificate of submission of vehicle to the owner of the said registered vehicle. Sub rule (1)(iv) of Rule 10 of these Rules further stipulates that the Registered Vehicle Scrapping Facility (RVSF) shall also sign a digital undertaking indicating that it was liable for financial dues such as challans, Motor Vehicle Tax *etc.*, accruing on that vehicle.

Besides, as per the SOP issued (January 2024) by the Department for operation of Registered Vehicle Scrapping Facility (RVSF), concession of 25 *per cent* in the Motor Vehicle Tax on purchase of new vehicle equivalent to the Indexed Cost of vehicle (to be worked out as per formula mentioned in the SOP¹⁴) shall be allowed on the basis of countersignature of "Certificate of Deposit" (COD) by the concerned registering authority.

Audit scrutinised data available in the 'VAHAN' database for the period December 2023 to September 2024 in DTO Patna and observed that:

(i) Rebate on Motor Vehicle Tax on purchase of new vehicles was allowed on the basis of countersignature of COD by the concerned DTO. However, despite the lack of countersignature of COD by DTO Patna, tax rebates were allowed on purchase of new vehicles, during January 2024 to September 2024.

¹² Araria, Banka, Buxar, Darbhanga, Madhepura, Supaul and West Champaran.

¹³ Araria, Buxar, Madhepura, Supaul and West Champaran.

¹⁴ Indexed Cost of vehicle = Purchase value of old vehicle * Inflation Index in the year of purchase of new vehicle / Inflation index in the year of purchase of old vehicle.

(ii) 19 new vehicle owners (out of 35 vehicles for which CODs were issued by RVSF) were allowed concessions in Motor Vehicle Tax on the basis of the COD. However, it was noted that the CODs were issued in the name of persons other than the owner of the vehicles. Thus, owners of the new vehicle got undue benefit of the tax rebate. As a result, concession in tax amounting to ₹10.49 lakh was found to have been irregularly granted, leading to loss of revenue (*Appendix-7*).

(iii) In case a vehicle registered outside Bihar was to avail the benefit of Motor Vehicle Tax rebate as per the notification issued by MoRTH, GoI, the owner of that vehicle had to change address on the Certificate of Registration after obtaining NOC from the previous registering authority and after paying Motor Vehicle Tax to the new registering authority. However, DTO, Patna, at the time of granting tax rebate to eight vehicles registered outside Bihar, did not ensure change of address in the Certificate of Registration and collection of payable Motor Vehicle Tax from these eight vehicles. This led to a loss of tax ₹2.25 lakh, to the State (*Appendix-8*).

(iv) In DTO, Patna, for nine vehicles, tax rebate was allowed only on the basis of COD but without ensuring clearance of financial dues, such as Motor Vehicle Tax and pending e-challan of ₹2.67 lakh (*Appendix-9*).

A case study, highlighting grant of rebate in Motor Vehicle Tax to a vehicle with an Indexed Cost of ₹5.05 lakh but was allowed Motor Vehicle Tax rebate on a new vehicle with purchase value of ₹1.30 crore, is as below:

*One vehicle with registration number **BR01XXXX20** was scrapped by Sri Neelayum Precoated Steel Pvt. Ltd. (RVSF). On the COD issued by the RVSF, sale value of ₹5.05 lakh was mentioned for this vehicle in the 'VAHAN' software. The COD was issued in favour of M/s Kiran Automobiles Pvt. Ltd. by the RVSF. As per the formula prescribed in the SOP, the Indexed Cost of this vehicle worked out to ₹6.27 lakh¹⁵. Accordingly, a rebate of 25 per cent on Motor Vehicle Tax was to be allowed only on purchase of a vehicle with value equivalent to the Indexed Cost of the old vehicle. As such, rebate of ₹0.14 lakh¹⁶ only was allowable on Motor Vehicle Tax for the new vehicle. However, DTO, Patna, irregularly allowed a rebate in tax of ₹3.90 lakh against the new vehicle with a purchase value of ₹1.30 crore. The purchase value of newly purchased vehicle was substantially high in comparison to the Indexed Cost of the old vehicle which resulted in loss of revenue of ₹3.76 lakh.*

The Department while accepting the audit observations replied (April 2025) that the circumstances under which the CODs had been generated for those vehicles, were being investigated.

3.4 Grant of permit to transport vehicles

Section 66 of the MV Act read with Rule 80 of BMVT Rules, 1992, provides that no owner of a motor vehicle shall use or permit the use of the vehicle as a transport vehicle in any public place without a valid permit. As per Section 81 of the MV Act, a permit other than a temporary permit is valid for a period of

¹⁵ ₹ 6.27 lakh = ₹ 5.05 lakh * 348 (Inflation index in the year of purchase of new vehicle) / 280 (Inflation index in the year of purchase of old vehicle).

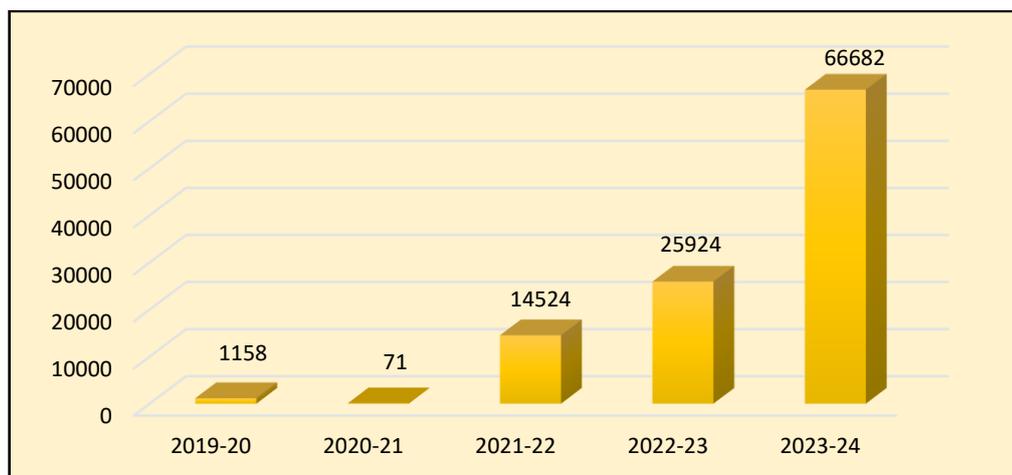
¹⁶ ₹ 0.14 lakh = ₹ 6.27 lakh (Indexed Cost of vehicle) * 09 per cent (rate of MVT) * 25 per cent (rate of rebate).

five years from the date of its issuance. Further, the Transport Department revised (May 2017) the application/Permit Fee for issue/renewal of permit in case of Goods Carriage, Contract Carriage and Stage Carriage *etc.*, and introduced a processing fee for issuance, or renewal, or change in the condition of a permit.

Government of Bihar, in February 2019, amended the BMV Rules to allow DTOs to grant permits for transport vehicles, which was earlier being issued by RTAs only.

Year-wise number of permits granted to the transport vehicles by all the DTOs in the State from 2019-20 to 2023-2024 is given in **Chart 3.2**.

Chart 3.2: Permits granted to transport vehicles by DTOs in Bihar



(Source: VAHAN Dashboard)

3.4.1 *Plying of permanent permit holder transport vehicles without valid documents*

Sub Rule 5 of Rule 90 of CMV Rules and Section 84 and 86 of the MV Act read with Section 25 of BMVT Act provide that transport vehicles had to carry certificates of fitness, insurance, registration, valid permit (permanent permit) and taxation.

Audit scrutinised permanent permit issued report for the period April 2019 to March 2024 in the 'VAHAN' database (at STA Patna) and observed that 272, out of 570 test-checked stage carriages, were plying between April 2019 to November 2023 without valid documents as described below:

(a) Tax tokens¹⁷ of 78 (out of 272) stage carriages, had expired between December 2019 and September 2024 but their permits were valid up to September 2028; and

(b) All 272 stage carriages were plying between April 2020 to September 2024 without valid fitness certificate and 165 stage carriages were without valid insurance.

¹⁷ A token or card or certificate issued to a taxpayer by a tax collector or an authorised employee after payment of taxes or duties (quarterly or yearly) imposed on a motor vehicle.

It was further observed in test-checked DTOs, that permanent permits were issued to 9,522 transport vehicles¹⁸ during July 2021 and March 2024. Audit noted that validity of tax tokens/ fitness certificates/insurance and/or permits of these 9,522 vehicles had expired but the authorised officers had not issued any notices for cancellation of their permits, as per Section 86 of the MV Act, 1988. This resulted in the plying of transport vehicles without payment of tax and other valid documents. Besides, plying of unfit vehicles, posed a risk to public safety and loss to government exchequer (*Appendix-10*).

Neither the STA nor the concerned DTOs detected such cases and took action to cancel these permits. List of these vehicles was neither forwarded to the Enforcement Wing of the Department for punitive action nor was any notice issued to these vehicle owners for updating relevant documents, highlighting insufficient monitoring and internal control mechanism on the part of STA/DTOs.

The Department replied (April 2025) that: (i) the stage carriage permits were granted for five years after verification of all documents. With regard to expiry of tax tokens of 78 stage carriages, tax was to be collected on quarterly/half yearly/yearly basis (ii) in case of non-payment of tax within the due period, penalty was leviable and (iii) if permit holder vehicles were found plying on road without valid documents, fine was levied under the provisions of relevant Acts/Rules.

The reply of the Department is not acceptable as they did not provide any documentary evidences regarding action taken on the vehicles plying without valid documents.

3.4.2 Registration of new transport vehicles without ensuring grant of permit

In light of criteria mentioned in *Paragraph 3.4 ibid*, GoB, delegated powers to DTOs, to issue permits for all categories of transport vehicles (except stage carriage permits) at the time of registration, so that no vehicle may ply on the road without a valid permit.

Further, different types of fees related to grant of permanent permits of different classes of vehicles are leviable in accordance with the provision of Rule 74 of the Bihar Motor Vehicles Rules, 1992, which became effective from May 2017. Besides this, surcharge at the rate of 50 *per cent* of payable fee is also leviable for granting permanent permit in respect of contract carriage w.e.f. October 1996.

Audit scrutinised permanent permit issue report and register related to grant of permits to transport vehicles registered through dealer points in test-checked DTOs. During scrutiny Audit observed that a total of 89,629 transport vehicles, were registered between April 2019 and March 2024 on the basis of applications made by 408 authorised dealers. The concerned DTOs, at the time of registration of these vehicles, were to ensure that permanent permits are issued to these vehicles along with completion of registration process. The concerned DTOs,

¹⁸ Out of 21,543 vehicles permit that were test-checked.

however, registered 42,121 transport vehicles¹⁹ (47 per cent) out of these 89,629 vehicles without ensuring grant of permanent permits to them.

These transport vehicles further did not apply for permanent permits to any transport authority of Bihar. Issue/grant of certificate of registration to transport vehicle without ensuring issuance of permanent permit not only led to loss of Government revenue amounting to ₹28.09 crore (*Appendix-11*), but also indicated insufficient compliance with the Department's directives by the concerned DTOs.

The Department replied (April 2025) that: (i) all the DTOs of Bihar had been instructed to grant permit to all commercial transport vehicles at the time of registration of vehicle w.e.f. 25 November 2020 (ii) in Sitamarhi, Gopalganj and Gaya, the issuance of permits at the time of registration of commercial vehicles had increased ranging between 16 per cent and 98 per cent and (iii) in the case of Banka and Patna, notices had been issued to all the vehicle dealers to deposit Permit Fee at the time of registration of vehicle henceforth.

The reply of the Department did not mention actions taken by them in case of those 42,121 commercial transport vehicles where registration had taken place without ensuring grant of permits and these were plying without permits.

3.4.3 Non-renewal of authorisation of National Permit for goods carriages

Rule 87 of CMV Rules provides that an authorisation for National Permit (NP) shall be made every year and shall be valid for only one year at a time. A Composite fee of ₹16,500 per annum for authorisation and home state authorisation fee of ₹1,000 per annum with effect from April 2012 was leviable for authorisation of NP of a vehicle.

Audit scrutinised the NP Register²⁰ in the 'VAHAN' database for five test-checked DTOs²¹ and observed that 3,529 goods carriages had not renewed (between July 2022 and August 2024) authorisation of their NPs. Audit checked e-challan details for these vehicles on the e-challan software²² of the MoRTH and noticed that 127 out of 3,529 goods carriages covered under NP had plied on roads (between July 2022 and August 2024) without renewal of authorisation of NP even after expiry of their validity period. These vehicles, however neither renewed their authorisation/National Permits nor did they surrender the permits.

Although, the required information was also available in 'VAHAN' software, the concerned DTOs as well as the Enforcement Wing of the Department, did not trace these vehicles as per Section 192 of MV Act, 1988. The concerned DTOs did not issue notices to these permit holders for cancellation of related permits. The National Permit Register (maintained online and manually) was to be

¹⁹ Goods carriage: 394; Maxi cab/motor cab: 996; Three wheeler (Passenger): 31,319 and Tractor (commercial): 9,412.

²⁰ In NP register, details of the vehicle along with permit details such as vehicle registration no. registration date, permit no., permit issue date, validity, region covered, and fee realised etc. are mentioned.

²¹ Banka, East Champaran, Gopalganj, Patna and Sitamarhi.

²² A software application with web interface, developed for the purpose of providing a comprehensive solution for Transport Enforcement Officers and Traffic Policemen. This application is integrated with 'VAHAN' and 'SARATHI' applications/software.

updated and checked by the concerned DTOs regularly but, the concerned DTOs neither updated nor physically checked the same during April 2019 to March 2024. This indicated absence of a control mechanism and deficiencies in monitoring, especially with respect to the renewal of lapsed National Permits. As a result, National Permit Authorisation Fee (including Composite Fee, Home Authorisation Fee to be paid to the authorising state and Transaction Fee) amounting to ₹26.46 lakh was not realised (*Appendix-12*).

The Department replied (April 2025) that: (i) DTOs, Sitamarhi, East Champaran, Banka, Gopalganj had regularised NP of 06, 01, 04 and 07 vehicles, respectively. In the remaining cases, notices had been issued to the vehicle owners for authorisation of NP and (ii) in case of DTO Patna, notices had been issued to all vehicle owners for authorisation of NP.

The reply of the Department is not acceptable as it had initiated action only after being pointed out by Audit. Further, no documentary evidences, regarding action taken by them was provided to Audit.

3.4.4 Irregular grant of permits to goods carriages and contract carriages

Section 79 of the MV Act, 1988, enacted by MoRTH, GoI, provides that a contract carriage and a goods carriage permit shall be granted to be valid throughout the State. Further, Section 74 of the Act provides that permit in respect of any area or route will be granted only after the same is specified in the application. As per the notification (May 2017) of the Department, fee for permanent permits to the contract carriages and goods carriages, valid throughout the State, was more than the permanent permits issued for a specific region/regions.

Audit scrutinised records related to grant of permanent permit reports and registers for 3,774 test-checked vehicles in four DTOs²³. During scrutiny, Audit observed that 1,079 permanent goods carriage permits were granted to Tractors (Commercial vehicles), while 66 permits were granted to motor cabs. Although the DTOs were to grant permanent permit for a region only after taking an application from vehicle owners, for this purpose, the concerned DTOs, while granting permits in these 1,145 cases, however did not obtain any application from the owners of these vehicles and irregularly granted permits for one region, after receiving the prescribed fee for that purpose. Granting of permanent permits, with their validity throughout the State, to these vehicles, would have realised more revenue to the State. Thus, issue/ grant of permanent permits to goods carriage for a limited area in place of throughout the State resulted in short realisation of Permit Fee. This led to loss of revenue amounting to ₹48.05 lakh (*Appendix-13*).

The Department replied (April 2025) that at the time of registration of vehicles, the dealers concerned collected Permit Fee on the basis of the requirement of vehicle owners and accordingly, permits were being granted for one or more regions. Further, as per DTOs East Champaran (Motihari), Gaya, Banka and Patna, in case of grant of permit for a region the vehicle owners had to pay fees for a particular region only. Thus, permits were issued for the particular area.

²³ Banka, East Champaran, Gaya and Patna.

The reply of the Department is not acceptable as grant of permit for a region in place of throughout the State, without the request of the owner of the vehicle was in violation of the MV Act, which stipulates that a goods carriage permit shall be granted throughout the State.

3.4.5 Irregular grant of National Permit to age expired goods carriages

Rule 88 of CMV Rules, 1989, stipulates that no National Permit (NP) shall be granted in respect of a goods carriage (other than multi axle) which is more than 12 years old.

Audit scrutinised issue/grant of NP data via the 'VAHAN' software and observed that in case of two DTOs²⁴, the age of 124 good carriages out of 2,889 vehicles test-checked, was more than 12 years. Despite this, National Permits were granted irregularly to these age expired goods carriages as detailed in **Table 3.3**.

Table 3.3: National Permits granted to age expired goods carriages

Name of DTOs	No. of test-checked vehicles	No. of age expired vehicles with National Permit	National Permit issued between		Age of vehicles (in years)
Gaya	815	42	April 2023	March 2024	12 to 14
Patna	2,074	82	February 2023	March 2024	12 to 15
Total	2,889	124			

Grant of National Permits to age expired vehicles is not only irregular but it also poses a risk to road safety.

The Department replied (April 2025) that NP was being granted according to the age of the vehicle prescribed under the CMV Rules. Further, plying of more than 15 years old vehicles had been prohibited in the light of MoRTH notification dated 16 January 2023.

The reply of the Department is not acceptable as in all these 124 cases, NPs were granted to such vehicles whose age was beyond the permissible age limit for granting NP.

3.5 Conclusions and Recommendations

Thus, there were significant discrepancies and irregularities in the registration and permit process for transport vehicles in the State including registration of Bharat Stage IV vehicles after cut-off date; loss of revenue due to irregular availing of Amnesty Scheme for newly purchased unregistered vehicles, issuance of Certificate of Deposit without clearance of financial dues of the vehicles, plying of permanent permit holder vehicles without valid documents, registration of new transport vehicles without ensuring grant of permit, irregular grant of permits to goods carriages and contract carriages *etc.* Besides, there were instances of short realisation of revenue in the cases of registration of 'change of At Present Address' vehicles, transfer of ownership of auctioned vehicles *etc.* Further, there was lack of provision for levy of penalty on non-transport vehicles for belated payment of One Time Tax. Insufficient control mechanism was also visible as provisions of Acts/Rules were not/properly

²⁴ Gaya and Patna.

mapped in the 'VAHAN' and there were instances of entry of wrong purchase date of vehicles by the authorised dealers to avoid levy of penalty on tax.

Based on the audit findings, the Department may consider the following recommendations:

Recommendation 3: The Department may ensure establishment of an effective control mechanism for monitoring registration at dealer-point to prevent loss to the Government exchequer.

Recommendation 4: The Department may ensure that in case of change of 'At present Address', the vehicle owner applies for registration of vehicle through the VAHAN portal by uploading NOC issued by the previous registering authorities and other relevant documents and avoid manual interventions.

Recommendation 5: The Department may ensure the issuance of Certificate of Deposit by RVSF only on the clearance of all financial dues.

Recommendation 6: The Department may ensure issuance of permit to all transport vehicles at dealer-point and arrange necessary validation control in 'VAHAN' software.

CHAPTER-IV
GRANT OF CERTIFICATE
OF FITNESS TO TRANSPORT
VEHICLES

Chapter IV

4 Grant of Certificate of fitness to Transport Vehicles

4.1 Lack of monitoring while granting fitness certificate by Automated Testing Station

Rule 189 of the CMV Rules stipulates that the grant and renewal of certificate of fitness to vehicles shall be made by an Automated Testing Station (ATS) only after carrying out checks and tests as per parameters specified therein.

Further, the Department issued (January 2024) a Standard Operating Procedure (SOP) for conducting fitness tests of vehicles through an ATS. According to this SOP, fitness tests were to be conducted only through automated equipment. Thereafter, the ATS would upload results of the test (report) on the 'VAHAN' portal. Copies of the test report and certificate of fitness were to be forwarded digitally to the competent regional authority such as DTO/MVI (for their countersignature).

As of March 2024, there were a total of three ATS in the State, with one ATS (Golden Vahan Automated Fitness Centre, under DTO, Patna), falling within the six test-checked districts. Scrutiny of records of DTO, Patna, showed that the ATS conducted 3,600 fitness tests during 10 March 2024 to 04 September 2024 and that all these vehicles were shown as passed during these tests. The ATS uploaded both the test results and certificates of fitness on the 'VAHAN' portal. However, none of these certificates of fitness were found countersigned by the concerned MVI.

In this context, Audit scrutinised 300 test reports uploaded on the 'VAHAN' portal by the ATS, pertaining to LMV (25) and Heavy Goods Vehicles (275). Scrutiny of test reports showed that in all these 300 cases, either the tests had not been conducted through automated equipment or, the vehicles did not pass all the mandatory criteria to obtain the certificate of fitness.

Audit also conducted (September 2024) a JPV of the ATS, along with the concerned MVI wherein fitness tests of two vehicles (WB76XXX26 and AR15XXX39) were conducted. It was observed that the ATS was not conducting fitness tests of Light/heavy motor vehicles as per the parameters prescribed in CMV Rules, as in case of:

(a) WB76XXX26 (LMV)- seven fitness tests¹ were not conducted in an automated manner.

(b) AR15XXX39 (HGV)- although, required for passenger vehicles only, parameters such as 'Vehicle Location Tracking Device (VLTD)' and 'wheelchair/housing locking arrangement for wheelchair' etc., were found marked as 'OK' (viz., the vehicles passed on these parameters), indicating lack of validation control checks in the ATS software.

Above irregularities indicate that the Departmental officers did not monitor/comply with the SOP issued by the Department, which resulted into issuance of

¹ (i) Left headlamp dipped beam vertical deviation (ii) Right headlamp dipped beam vertical deviation (iii) Exhaust gas emission (iv) Steering gear free play (degrees) (v) Parking brake efficiency (vi) Exhaust Noise test and Horn test and (vii) Speed Governor device number was not recorded in test report.

fitness certificates without using the automated system and without conducting tests against all prescribed parameters.

The Department replied (April 2025) that in light of audit observation show cause notices had been issued to the concerned ATS.

4.2 Issue/renewal of fitness certificate to vehicles without booking of online appointment and fulfilling the prescribed parameters

Rule 62 of CMV Rules read with Section 56 of MV Act provides that the renewal of fitness certificate shall be made only after carrying out the tests specified under this Rule by the Inspecting Officer. Further, Sub Rules 1 and 3 of Rule 181 of the Rules *ibid* (as notified in September 2021) and the Departmental instructions (February 2023) stipulated booking of appointments for fitness test at any automated testing stations electronically through a portal; and at the time of booking of appointment, uploading of vehicle documents such as copy of certificate of registration, valid insurance and last valid permit.

Audit scrutinised the fitness issue/renewal report in the ‘VAHAN’ database in all the six test-checked DTOs and observed that during April 2019 to March 2024, fitness certificates were granted to 2,04,082 vehicles. Of these, during March 2023 to March 2024, fitness certificates were granted to 47,223 vehicles. Out of these 47,223 vehicles, the concerned MVIs granted fitness to 42,672 (90.36 per cent) vehicles where appointments for obtaining certificate of fitness were not applied for online. This was not only in violation of the CMV Rules (which makes online application mandatory) and departmental instructions by the concerned MVIs but also indicated improper mapping of the departmental instructions in the ‘VAHAN’ software.

Further, during joint physical verification, conducted (July 2024 to September 2024) along with the concerned MVI, Audit noticed several discrepancies in conduct of fitness tests, as detailed in **Table 4.1**.

Table 4.1: Details of irregularities observed during JPV in sampled DTOs

Name of DTO	Date of JPV	Irregularities observed
Banka	06 August 2024	As there was no proper place to conduct inspection of fitness tests of vehicles, the concerned MVI had to inspect the vehicles in front of the DTO’s building on the road side, which was not a proper place to conduct such inspections.
East Champaran	23 July 2024	The concerned MVI granted 97 fitness certificates without ensuring permissible laden weight, and affixation of reflector tap, in violation of Rule 62 of CMV Rules.
Gaya	25 July 2024	
Gopalganj	20 August 2024	
Patna	03 September 2024	
Sitamarhi	30 August 2024	The concerned MVI conducted fitness tests on the roadside which was not a proper place for conducting such tests.



The Department replied (April 2025) that: (i) the fitness tests of vehicles were conducted by concerned MVIs through a 'Fitness app' after locating latitude and longitude of the testing place which was mapped in the App (ii) Fitness certificates were issued to only those vehicles which fulfilled all parameters as per the MV Act and (iii) in Banka, fitness test was being conducted within 500 metre of DTO's building and in Sitamarhi, it was being conducted in the premises of driving testing track.

The reply of the Department is not acceptable, as during JPV it was noticed that: (i) fitness tests were conducted for such vehicles also for which appointments were not booked online (ii) in Banka and Sitamarhi the fitness tests were being conducted on the road side and (iii) in Gaya, Gopalganj, East Champaran and Patna, fitness certificates were granted even to such vehicles which did not comply with all the fitness parameters.

4.3 Plying of transport vehicles without valid fitness certificate

Rule 62 of CMV Rules read with Section 56 of MV Act stipulates that a transport vehicle shall not be deemed to be registered validly unless it carries a certificate of fitness. A fitness certificate granted in respect of a newly registered transport vehicle is valid for two years and is required to be renewed every two years for up to eight years old vehicles. Thereafter, fitness certificate is to be renewed every year. A prescribed test fee of ₹400 for three wheelers and light motor vehicles and ₹600 for heavy motor vehicles was to be charged for issue of Certificate of Fitness w.e.f. 29 December 2016. In addition to this, a renewal fee of ₹200 was also leviable for all categories of vehicles. Audit scrutinised the fitness expired report in the 'VAHAN' database in all the test-checked DTOs and observed that 35,921 transport vehicles², out of 66,345 test-checked vehicles registered between January 2010 and November 2018 had plied (between April 2019 and March 2024) without valid fitness certificates. In none of these 35,921 cases, evidence of either migration of these vehicles to another State (via a 'No objection certificate'), evidence of change of residence, surrender of RCs or, intimation of non-plying of the vehicle in the jurisdiction of the concerned DTOs was found available in the records. This indicated that these vehicles were registered with the concerned DTOs of the State and were still plying on the

² 12,501 Goods carriage; 844 Stage carriage; 3,336 Maxi/motor cab; 12,290 three wheelers (passenger) and 6,950 Tractor (Commercial).

road. Therefore, these vehicles had to get their fitness certificate renewed after paying the prescribed test fee and fitness renewal fee.

It was noted that the 'VAHAN' software, had information regarding expiry of fitness available but the concerned DTOs/MVIs did not take any action or review such cases. Further, no checks were available in the 'VAHAN' software to prevent vehicle owners from paying tax, applying for issue/renewal of insurance/Pollution Under Control Certificate (PUCC), in cases where Fitness Certificates had expired.

It was also observed that 2,683 vehicles were allowed to pay Motor Vehicle Tax without availability of valid Fitness Certificate. Although, penalty was levied on 597 vehicles out of above, during enforcement activity, any action, to impound and intimate the concerned DTOs about fitness of these vehicle was not taken. The concerned DTOs also did not initiate action for suspension of registration of these vehicles, prescribed in Section 53 of MVT Act,1988.

Plying of unfit transport vehicles on road not only posed a danger to road and public safety but also deprived the Government of revenue amounting to ₹2.27 crore in terms of issue/renewal fee of fitness (*Appendix-14*).

The Department while accepting the audit observation stated (April 2025) that instructions had been issued to all DTOs to ensure compliance with the audit observation. In case of DTO, East Champaran, it was stated that a list of vehicles had been made available to Enforcement Wing for punitive action, as per law.

4.4 Conclusions and Recommendation

Thus, there were irregularities in granting fitness certificates to transport vehicles including lack of monitoring of Automated Testing Stations in granting fitness certificates, irregularities in issuance of fitness certificate to vehicles, and plying of transport vehicles without valid fitness certificates, violating provisions of Acts and Rules made thereunder. Based on the audit findings, the Department may consider the following recommendation:

Recommendation 7: The Department may ensure granting fitness certificates to vehicles only after they have passed the checks and tests in ATS as per specified parameters.

CHAPTER-V

LEVY AND COLLECTION OF MOTOR VEHICLE TAXES AND FEE

Chapter V

5 Levy and collection of Motor Vehicle Taxes and Fee

5.1 Parking of Government revenue in bank account

Rule 37 of the Bihar Financial Rules, 2005, stipulates that all transactions must be brought into account without delay and money received should be forthwith credited to the Government account. Further instructions (February 2020) of the Department stipulate that the collected amount must be remitted into Government account through OGRAS¹ on the next day of transaction.

Audit scrutinised (September 2024) daily cash collection, bank statement and remittance registers in the test-checked DTOs. During scrutiny it was observed that between July 2021 to February 2024, DTO, Patna, received revenue of ₹45.06 lakh through Demand Drafts and deposited the same with the concerned bank. The concerned bank was to credit the amount in the account of DTO, Patna, who was to remit it to the Government Account. However, out of a total collection of ₹45.06 lakh, tax receipts of ₹16.11 lakh only was deposited in the DTO's bank account (which was yet to be remitted to the Government Account). The remaining amount of ₹28.95 lakh had still not been found credited in DTO's bank account by the concerned bank, as of 24 September 2024.

Non-deposit of revenue into the Government account denied the State of Government revenue to that extent.

The Department while accepting the audit observation stated (April 2025) that 28 demand drafts amounting to ₹40.01 lakh had been cleared by the bank for depositing the revenue into the DTO's bank account and this amount had been transferred to the Government account. Further, necessary instructions had been issued to the bank for clearance of the remaining four demand drafts.

The reply of the Department is not acceptable as it did not mention whether any action had been taken against the concerned DTO for prolonged delays in transferring Government money into the designated Government Account. Further, no documentary evidence was provided to substantiate deposit of government revenue.

5.2 Short levy and collection of One Time Tax

Section 7 of the BMVT Act read with Notification of the Department, stipulates that at the time of registration of a vehicle one time tax, for the whole of the life of the vehicle is payable by every registered vehicle owner at the prescribed rates. Further, Rule 4 of the BMVT Rules mandates in cases where no prior tax has been paid, the liability to pay tax arises from the date of acquisition of the motor vehicle. A delay of more than 15 days in payment attracts a penalty ranging from 25 to 200 *per cent* of the tax due.

¹ Online Government Receipt Accounting System (OGRAS) is an initiative of the Government of Bihar to facilitate collection of tax/non-tax revenue in both online as well as manual mode.

5.2.1 Short payment of one time tax by dealers for vehicles registered through dealer point

In light of criteria mentioned in Paragraph 5.2 *ibid*, Audit scrutinised dealer point registration records of 18 authorised dealers in four DTOs² available in the 'VAHAN' database. During scrutiny it was observed that these 18 authorised dealers applied online registration for 210 new vehicles³ (out of 27,714 test-checked cases) during August 2019 to January 2024. A one time tax for 15 years was to be paid for these 210 vehicles, at the time of registration. However, the concerned DTOs approved registration for complete 15 years' period after collecting Motor Vehicle Tax for only one or five years, instead of the mandatory one-time tax.

Had the concerned DTOs collected the tax at one time they would have collected MV Tax amounting to ₹ 18.73 lakh. As such they realised less revenue amounting to ₹11.88 lakh. Besides, due to collection of MV Tax quarterly/annually, tax remained outstanding for a period ranging between 251 days to 1,831 days, and was liable for levy and recovery of penalty amounting to ₹23.77 lakh.

Thus, approval of registration of vehicles by the concerned DTOs, without realising the one time tax, resulted in short realisation of revenue of ₹35.65 lakh (Tax: ₹11.88 lakh; Penalty for delay: ₹23.77 lakh) (*Appendix-15*).

5.2.2 Short collection of one time tax and non-recovery of penalty on one time tax from the owners of vehicles by District Transport Officers

In light of the criteria mentioned in Paragraph 5.2 *ibid*, Audit scrutinised records related to one time tax paying vehicles in the 'VAHAN' database for all the sampled DTOs.

Accordingly, in two DTOs⁴, Audit test-checked data of 8,046 such vehicles that had to pay Motor Vehicle Tax at one time, out of which 18 vehicles were motor cabs (Transport Vehicle). For these 18 registered motor cabs, it was noticed that during May 2019 and April 2024, concerned DTOs irregularly realised Motor Vehicle Tax on a quarterly/yearly basis in place of realising it in one time. Despite this, the certificate of registration was issued by the concerned DTOs for the life time of these vehicles (15 years).

Due to irregular collection of one time tax on quarterly/annual basis, concerned DTOs could collect MV Tax of ₹3.12 lakh only. Had they collected this tax at one time, they would have collected MV Tax amounting to ₹ 16.26 lakh. As such they realised less revenue amounting to ₹13.13 lakh during this period (2019-2024). Besides, due to collection of MV Tax on a quarterly/ annual basis, tax remained outstanding for periods ranging between 110 days to 1,900 days, which was liable for levy and recovery of penalty amounting to ₹26.27 lakh.

Therefore, collection of MV Tax quarterly/annually not only resulted in short collection but also, non-recovery of penalty on the outstanding portion, resulting

² East Champaran, Gopalganj, Patna and Sitamarhi.

³ 185-e-rickshaw; 03-motor/maxi cab; 04-Tractor (Commercial); and 18 three-wheelers(P).

⁴ Gaya and Patna.

into overall short realisation of revenue amounting to ₹39.40 lakh (*Appendix-16*).

The Department replied (April 2025) that the respective DTOs had issued demand notices to the vehicle dealers concerned for realisation of the balance tax amount.

5.2.3 Non-recovery of Motor Vehicle Tax from construction equipment vehicles

Rule 2 of CMV Rules stipulates that a construction equipment vehicle such as excavator, bulldozer, crane *etc.*, shall be considered as a non-transport vehicle. Further, the GoB notified (February 2022) that on construction equipment vehicles one time Motor Vehicle Tax shall be leviable at the rate of six *per cent* of the ex-showroom price. The tax was to be levied at the time of sale of the vehicle. For construction equipment vehicles which were registered prior to this notification, and had paid their MV Tax quarterly/annually, they had to deposit the remaining portion of the tax in one go. Further, there was no provision for levy and realisation of penalty on delayed payment of Motor Vehicle Tax on non-transport vehicles.

Audit scrutinised the 'VAHAN' database in test-checked DTOs and noted that in the six test-checked districts, out of 2,761 test-checked construction equipment vehicles, 1,255 were registered between April 2019 to September 2022, after realisation of MV Tax on a quarterly/annual basis. Further, MV Tax on these vehicles was realised, at the time of their sale, prior to the notification of the GoB (February 2022). Therefore, these vehicles were to pay the remaining MV Tax at one time. However, MV tax amounting to ₹ 20.41 crore was not paid by these vehicles and no demand notices for the same were raised by the concerned DTOs, to recover the outstanding tax (as of September 2024).

Further, neither a list of these tax defaulting vehicles was prepared by DTOs nor were these vehicles traced by the Enforcement Wing of the Department. This resulted in short realisation of revenue amounting to ₹ 20.41 crore (*Appendix-17*).

The Department replied (April 2025) that respective DTOs had issued demand notices to the concerned vehicle owners for realisation of balance tax amount.

5.3 Non-realisation of Motor Vehicle Tax from annual MV Tax paying transport vehicles

Sections 5 and 9 of the BMVT Act provide that owners of registered commercial transport motor vehicles would be required to pay Motor Vehicle Taxes, to the concerned taxing officer. In case of change of residence/business, the vehicle owner could pay the tax to the new taxing officer, subject to the production of "No Objection Certificate" (NOC), from the previous taxing officer. Further, as per Section 7(3) of the BMVT Act, in case of commercial transport motor vehicles, the payment of the MV Tax could be done for one or more quarters at the annual rate of tax payable for that quarter.

In light of criteria mentioned in Paragraph 5.2 *ibid*, in case of delay of more than 15 days in payment of MV Tax, penalty at rates ranging between 25 to 200 *per cent* of the tax due, was to be imposed.

Besides, Section 6A of BMVT Act, provides for the levy of a Road Safety Cess, at the rate of one *per cent* on motor vehicle taxes⁵, annually payable. In case, a person fails to deposit the Road Safety Cess on time, he/she shall pay the Cess along with a fine of 2.5 *per cent* thereon, for every month or part thereof.

Audit scrutinised (April 2019 to March 2024) registration, tax defaulter and tax tables, of the 'VAHAN' database, in six test-checked DTOs and observed that Motor Vehicle Tax was required to be paid annually/quarterly by the owners of 7,649 transport vehicles, out of 35,292 annual tax paying transport vehicles (registered between January 2010 and February 2024). In none of these 7,649 vehicles, evidence of change of address, surrender of RCs or non-plying of vehicles, in the jurisdiction of DTOs concerned were found available in the records, indicating that these vehicles were plying on the roads.

However, none of these vehicles had paid their outstanding Motor Vehicle Taxes (₹16.70 crore), pertaining to the period between February 2019 and March 2024. Penalty of ₹33.39 crore (at the rate of 200 *per cent* on tax amount) was leviable on the outstanding Motor Vehicle Tax. Besides, Road Safety Cess and fine on the Cess, amounting to ₹ 0.31 crore (Road Safety Cess: ₹0.17 crore and Fine: ₹ 0.14 crore) also remained unrealised.

Concerned DTOs, however neither monitored nor reviewed the 'VAHAN' software to levy/realise applicable tax/cess. This resulted in short realisation of tax and penalty/fine amounting to ₹50.40 crore (Tax: ₹16.70 crore, Penalty: ₹33.39 crore, Road Safety Cess: ₹0.17 crore and Fine: ₹ 0.14 crore) as detailed in **Appendix-18**.

The Department replied (April 2025) that the respective DTOs had issued demand notices to the concerned vehicle owners for the recovery of due tax. Further, the list of tax defaulter vehicles had been made available to the Enforcement Wing of the concerned DTOs, along with instructions to recover the due tax.

5.3.1 Short levy of MV Tax on stage carriages due to wrong assessment of classification of category

As per Section 7 of the BMVT Act, stage carriages (buses) were classified under Ordinary, Semi Deluxe and Deluxe category. This classification was based on the number of seats in the stage carriages, arrived at as per the length of wheelbase⁶ of the vehicles (**Appendix-19**). As per the Act *ibid*, there was provision for MV Tax only on the stage carriages with wheelbase between 142 inches to 228 inches.

Audit scrutinised the data related to stage carriage registration and tax payment in the 'VAHAN' database in test-checked DTOs. It was observed that the Registering Authorities had calculated tax for 641, out of 2,571 test-checked stage carriages, having wheelbase between 142 inches to 228 inches and registered these, under the lowest category of buses *i.e.*, 'Ordinary'. This was despite the fact that these stage carriages should have been registered either under 'Deluxe' (169 vehicles) or 'Semi deluxe' (472 vehicles) categories, on the basis of number of seats arrived at as per the length of their wheelbase.

⁵ Annual tax paying motor vehicle includes bus having seating capacity more than 12 and goods carriage having laden weight more than 3,000 kg.

⁶ Wheelbase is the horizontal distance between the centre of the front and rear wheels of a vehicle.

Wrong assessment of category of stage carriages by the concerned registering authorities resulted into short levy of tax to the tune of ₹1.43 crore⁷ (*Appendix-20*).

Further, there were no provisions available for assessment of MV Tax on stage carriages with wheelbase of more than 228 inches (269 cases in test-checked DTOs) and less than 142 inches (896 cases in test-checked DTOs). As a result, correct rate of MV Tax on such vehicles could not be assessed.

The Department replied (April 2025) that demand notices had been issued to the vehicle owners for recovery of remaining portion of tax.

The reply of the Department however, did not mention if any corrective measures were being taken to ensure correct levy and collection of MV Tax from these vehicles in future. Further, absence of provisions for levying and collection of MV Tax from stage carriages with wheelbase above 228 inches and below 142 inches was also not addressed.

5.3.2 Non-realisation of Green Tax and penalty from transport vehicles

Section 5(6) of the BMVT Act provides that Green Tax, at the rate of 10 per cent of tax payable, shall be payable by owner of a registered transport vehicle that is more than 12 years old, except three wheelers, tractors and trailers. Further, in light of the criteria mentioned in Paragraph 5.2 *ibid*, the taxing officer may impose a penalty, at rates ranging between 25 per cent to 200 per cent of the tax due, if the tax of a transport vehicle remains unpaid for more than 15 days.

Scrutiny of the 'VAHAN' database in five DTOs⁸ by Audit revealed that owners of 943 transport vehicles, out of 42,075 test-checked vehicles (where the age of the vehicle was more than 12 years old), paid their annual Motor Vehicle Tax without payment of Green Tax during the period March 2018 to August 2024.

In all 943 cases, vehicle owners paid MV Tax through 'VAHAN' software of Parivahan portal of MoRTH, GoI. The payment of MV Tax was, however, made without paying the Green Tax. This indicated improper mapping of business rules in 'VAHAN' software, as it allowed payment of MV Tax without realisation of Green Tax thereon. Non-realisation of Green Tax was neither detected by the concerned DTOs nor by the Department. This resulted in short realisation of revenue of ₹43.94 lakh, due to non-collection of Green Tax of ₹14.64 lakh and penalty to be imposed thereon, amounting to ₹29.30 lakh (*Appendix-21*).

The Department replied (April 2025) that demand notices had been issued by respective DTOs for the recovery of the tax.

The reply of the Department, however did not mention any steps being taken to properly map business rules in 'VAHAN' to allow vehicle owners to pay Green Tax along with MV tax, through the portal.

⁷ ₹1.43 crore (Actual Tax ₹6.31 crore – Tax Paid ₹4.89 crore).

⁸ East Champaran, Gaya, Gopalganj, Patna and Sitamarhi.

5.4.1 Non-levy of Trade Tax on Temporary Registration of vehicles

Section 6 of BMVT Act stipulates that Trade Tax at an annual rate⁹ as specified in Schedule-III of the Act shall be paid by the manufacture or a dealer of motor vehicles, for the vehicles in his/her possession in the course of his/her business.

Further, the Department directed (June 2020) that the Trade Tax would be collected from the dealers of the vehicles at the time of: (i) issue of permanent/Temporary Registration fee of all vehicles, and (ii) transfer of goods in the course of business (*i.e.*, from one dealer to another). The Trade Tax was to be paid through the 'VAHAN' software.

Audit scrutinised the Temporary Registration (TR) report and collection of related fees through the 'VAHAN' software in all the test-checked DTOs. During scrutiny, Audit observed that 66,260 Temporary Registrations (TR) were issued by DTOs to dealers on the basis of stock transfer/sale of goods in favour of another registering authority without realisation of Trade Tax during the period between July 2020 and July 2024. As such, the Trade Tax was not realised while issuing the TR in these 66,260 cases. Non-detecting the liability of Trade Tax during issuance of TR by DTOs resulted in short realisation of revenue of ₹1.36 crore (of which ₹1.22 crore was in DTO Patna against 59,143 TRs) (*Appendix-22*).

The Department replied (April 2025) that all the DTOs had issued demand notices to the concerned authorised dealers for recovery of Trade Tax.

5.4.2 Non-levy of Trade Tax on stock transfer

Transport Department, GoB's directive (June 2020) stipulated that in case of stock transfer by dealers to their sub-dealers, a Trade Tax at the rate of ₹150 shall be deposited by the dealer for two-wheelers through the 'VAHAN' software.

In this context Audit scrutinised information related to collection of Trade Tax available in test-checked DTOs. Audit observed that four dealers in case of DTO Sitamarhi, transferred/sold 29,826 two wheelers to their 27 sub-dealers. Further, in DTO, East Champaran, one dealer sold/transferred 22,356 two-wheelers to 11 sub-dealers¹⁰. However, Trade Tax for sale/transfer of goods was not levied by the two DTOs from these five dealers, resulting in short realisation of revenue of ₹78.27 lakh¹¹.

The Department replied (April 2025) that DTOs in East Champaran and Sitamarhi had issued demand notices to the concerned authorised dealers for recovery of Trade Tax.

However, Audit noted that the Department issued notices only after being pointed out by Audit and there was no information available with the DTO regarding the sale/transfer of stock from a dealer to his/her sub dealer, indicating lack of monitoring on the part of the DTOs.

⁹ Motorcycle-₹150, Heavy Vehicles-₹250 and Other Vehicles-₹200.

¹⁰ Remaining four DTOs (Banka, Gaya, Gopalganj and Patna) did not have information related to sale/transfer of stock from a dealer to his/her sub dealer.

¹¹ East Champaran: ₹ 33.53 lakh and Sitamarhi: ₹ 44.74 lakh.

5.5 Non-levy of additional fee for delayed submission of transfer of ownership application

Rule 81 of the CMV Rules read with Section 50 of the MV Act, as amended from time to time provides that in case of delay (beyond 30 days) in submission of application for transfer of ownership by transferee, an additional fee of ₹300 for delay of each month or part thereof in case of motor cycles, and ₹500 for each month of delay or part thereof for other vehicles shall be levied.

Audit scrutinised the data available with regard to transfer of ownership in the 'VAHAN' database in case of four DTOs¹². In this regard, Audit test-checked 59,024 cases of transfer of ownership during the period between May 2019 and July 2024. Out of 59,024 cases, purchasers of motor vehicles submitted applications for transfer of ownership in 13,113 cases, with delays ranging between one month to 96 months. However, for this delayed submission of applications, the concerned DTOs did not ensure that additional fee was levied at the time of approval of transfer of ownership. Due to non-levy of additional fee on account of delayed submission of application by the purchasers of vehicles, fee amounting to ₹2.09 crore was not levied by the DTOs (*Appendix-23*).

The Department replied (April 2025) that demand notices had been issued to the concerned vehicle owners for recovery of additional fee.

5.6 Conclusions and Recommendations

There were inefficiencies in collecting motor vehicle taxes, trade taxes, additional fees, penalties etc., as there were cases of parking of revenue in bank account; short levy and collection of One Time Tax from authorised dealers and owners; non-recovery of Motor Vehicle Tax from construction equipment vehicles, non-realisation of annual MV Tax and Green Tax from transport vehicles; short levy of MT Tax on stage carriages; non-levy of Trade Tax from dealers on Temporary Registrations and stock transfer and additional fee for delayed submission of transfer of ownership applications which resulted in short realisation of revenue. Besides, there was no provision for assessment of MV Tax on stage carriages with wheelbase of more than 228 inches and less than 142 inches, causing non-assessment of MV Tax on such vehicles.

Based on the audit findings, the Department may consider the following recommendations:

Recommendation 8: The Department may effectively implement automated systems to track and monitor tax payments, issue of auto reminders and notices to vehicle owners, and generate alerts for enforcement action against defaulters, to prevent tax evasions.

Recommendation 9: The Department may integrate registration of vehicles with payment of trade tax and seek periodic compliance reports from dealers for adherence to its directives.

¹² East Champaran, Gopalganj, Patna and Sitamarhi.

CHAPTER-VI
ENFORCEMENT OF MOTOR
VEHICLES ACT/BIHAR
MOTOR VEHICLES ACT AND
RULES

Chapter VI

6 *Enforcement of Motor Vehicles Act/Bihar Motor Vehicles Act and Rules*

6.1 *Lack of monitoring in recovery of e-challans leading to increase in arrears*

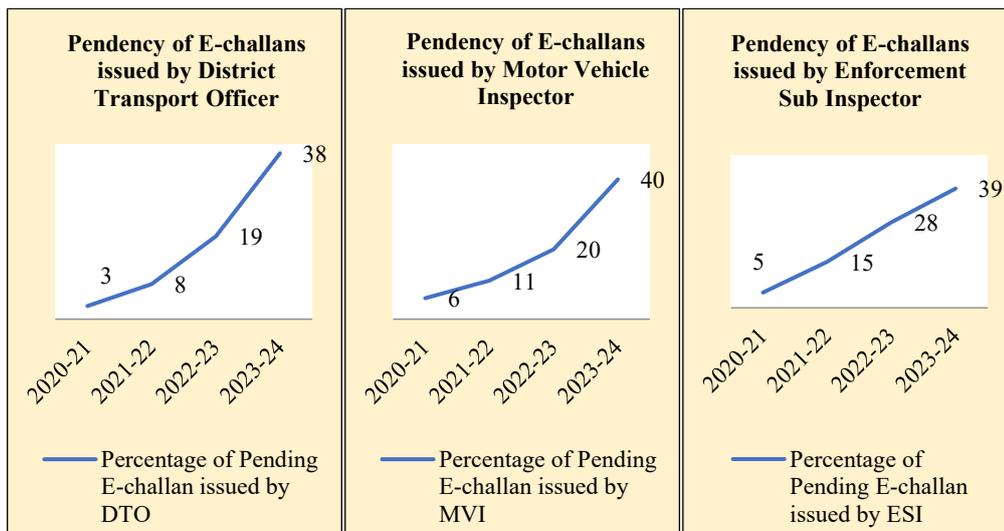
The Transport Department, GoB, introduced (February 2020) levy and collection of fines on erring vehicle owners/drivers through a web-based e-challan software where challans were issued through a Hand-held-device (HHD) or by logging in credentials into any computer system. The authorised officers issue a signed e-challan to owners/drivers of the vehicles on the spot. In case, the fine was not paid on the spot, seizure of vehicles or documents after following due process would be initiated. The payments against e-challans were to be made through '<https://echallan.parivahan.gov.in/index/accused-challan>' of the Parivahan Portal of MoRTH, GoI (maintained by NIC, Bihar). In case of non-realisation of e-challan amount in 14 working days, valid legal action could be initiated.

Further, the Department issued (May 2023) directives regarding disposal of pending e-challans within 90 days. In case a challan is due beyond the stipulated timeline, one additional notice for payment within 10 days would be issued. If the challan is not disposed-off within 10 days, the concerned vehicle would be flagged as "Not To Be Transacted" in 'VAHAN' software.

Audit scrutinised e-challan data available at STC Patna and observed that the Transport Department issued total 3,58,062 e-challans in the State of Bihar during February 2020 to March 2024. Of these, 25,928 e-challans, amounting to ₹44.37 crore issued in the six test-checked DTOs were pending for disposal. Out of these 25,928 pending e-challans, 3,895 e-challans issued for ₹6.26 crore pertained to 1,755 vehicles that had violated the transport rules on two or more occasions. Out of these 1,755 vehicles, 858 vehicles renewed their Fitness Certificates with the same DTO that had issued e-challans on the vehicles for offences (**Appendix-24**). However, at the time of granting Fitness Certificate the concerned DTOs did not ensure disposal of all the pending e-challans. This indicated that the vehicles were not being flagged as "**Not To Be Transacted**" in the 'VAHAN' software by the concerned DTOs, in case of pendency of e-challans beyond the period prescribed.

Further, pendency in payment of e-challans issued in the State of Bihar increased from 4.40 *per cent* to 39.21 *per cent* from 2020-21 to 2023-24 (as of March 2024). Details of DTO, MVI and ESI wise pendency of e-challans is shown in **Chart 6.1**.

Chart 6.1: Details of pendency of e-challans in Bihar



Similarly, arrears of Government revenue in respect of e-challans increased from ₹14.30 crore (2020-21) to ₹ 109.82 crore (2023-24). Total 80,901 e-challans amounting to ₹ 203.35 crore were pending for disposal (*Appendix-25*).

The Department replied (April 2025) that: (i) instructions had been issued to the concerned DTOs for blacklisting of vehicles, in case challan was not disposed off within 90 days (ii) provision to prevent grant of fitness and PUC to e-challan pending vehicles was mapped in the ‘VAHAN’ software and (iii) for recovery of pending e-challan amount, a list of those vehicles had been provided to MVIs/ Enforcement Wing, with instructions to recover the same.

The reply of the Department is not correct as Audit noted that the provision to prevent grant of fitness certificates in case of pendency of e-challans, had not been mapped into ‘VAHAN’ as seen from the fact that fitness had been granted/renewed for 858 such vehicles which had pending e-challans.

6.2 Non-levy of fine by Enforcement Wing on vehicles plying on roads without paying MV Tax

Section 28 (1) of the BMVT Act stipulates that whoever uses a motor vehicle without paying tax of such vehicles shall be punished with a fine, not exceeding twice the amount of the annual tax payable. Further, Rule 259 of the BMV Rule 1992 provides that the Assistant enforcement officer/enforcement officer (ESI, MVI and DTO) is authorised to levy fine on erring vehicle owners/drivers for non-compliance with the provisions of the MV/BMVT Act. Besides, Section 22(2) of BMVT Act stipulates that if the tax (Motor Vehicle Tax) and penalty thereon has not been paid in accordance with the provisions of the Act, the authorised officer may seize the motor vehicle and detain it till the tax is paid.

Audit scrutinised e-challans data for the period January 2019 to September 2024 at STC, Patna. During scrutiny, Audit observed that Assistant Enforcement Officer/ Enforcement Officer, levied fine through 795 e-challans on 691

vehicles (out of 1,117 test-checked) which were found plying in 16 districts¹ of Bihar. In case of these vehicles, e-challans were issued only for offences under various sections of MV Act and not for non-payment of MV Tax due from these 691 tax defaulter vehicles. In such cases of tax default, the concerned Assistant Enforcement Officers/ Enforcement Officer was to realise fines at the rate of double the MV Tax due and was to seize the vehicles till the tax is paid. However, against MV tax and fine of ₹ 6.81 crore that was leviable, only ₹ 4.34 crore was collected. Thus, MV Tax, as well as the fine of ₹2.47 crore remained outstanding against defaulters.

The Department replied (April 2025) that for recovery of pending e-challan amount, a list of vehicles had been provided to MVIs/ Enforcement Wing, with instructions to recover the amount.

The reply of the Department was not relevant as it did not mention reasons for non-levy of fines by the enforcement officers on vehicles plying without payment of MV Tax.

6.3 Non-realisation of e-challan fine, as well as tax from vehicles leading to increase in arrears

In light of criteria mentioned in Paragraph 6.2 *ibid*, if the tax (Motor Vehicle Tax) and penalty thereon has not been paid in accordance with the provisions of the Act, the authorised officer may seize the motor vehicle and detain it till the tax is paid.

Audit scrutinised e-challan data of STC, Patna, for the period January 2019 to September 2024. During scrutiny of data, Audit observed that 1,612 vehicles with 2,030 pending e-challans were plying on the road without payment of tax due, during this period. Of these 1,612 vehicles, a fine of ₹8.70 crore on 1,066 tax defaulter vehicles was levied by the Enforcement officers through 1,253 e-challans. However, the fine levied through e-challans was not realised (September 2024). Further, at the time of issuing e-challans the concerned Enforcement officers neither impounded the vehicles nor did they recover the due tax from these 1,066 tax defaulter vehicles, thereby violating the provisions of the Act *ibid*. These e-challans remained pending for a period ranging between 15 to 2,041 days, leading to increase in revenue arrears by ₹8.70 crore.

Department did not furnish any relevant reply to the audit observation.

6.4 Non-Recovery of Government Revenue by disposing all the pending e-challans

E-challans issued by the concerned Assistant Enforcement Officers/ enforcement officer could be paid by either visiting the office of the DTO or through Parivahan Portal of MoRTH, GoI.

Audit scrutinised the online e-challan data of four test-checked DTOs² and observed that there were 171 such vehicles on which a fine of ₹1.10 crore was

¹ Araria, Arawal, Aurangabad, Banka, Begusarai, Bettia, Bhabhua, Bhagalpur, Bhojpur, Buxar, Chapra, Darbhanga, Gaya, Gopalganj, Patna and Purnia.

² East Champaran, Gopalganj, and Patna and Sitamarhi.

levied through 373 e-challans, during the period April 2019 to July 2024. Each of these vehicles had two or more than two e-challans.

During disposal of these 179 e-challans, the concerned DTO disposed off (either by receiving challan amount or, after production of deposit receipt of e-challan amount) only the last issued e-challan and did not dispose the e-challans that had been issued prior to it. This was also due to the fact that, in case of multiple e-challans, the Parivahan Portal of MoRTH, GoI (maintained by NIC, Bihar) allowed payment of the last issued e-challan, without payment of all the pending e-challans. This resulted in disposal of only the last e-challans and pendency of earlier e-challans, which in turn resulted in non-recovery of Government revenue of ₹57.75 lakh (*Appendix-26*).

The Department replied (April 2025) that instructions had been issued to the concerned DTOs for blacklisting vehicles in cases where challans were not disposed of within 90 days.

However, the reply of the Department did not address the issue that in case of multiple e-challans, the Parivahan Portal allowed payment of only the last issued e-challan, without paying all pending e-challans.

6.5 Short levy and collection of Tax and penalty

Government of Bihar, vide notification dated 06 June 2013, prescribed the Bihar Entry Tax and provisions for valid temporary permit for transport vehicles registered outside the State, for plying within Bihar. Section 28 (7) of the of BMVT Act stipulates that if a vehicle registered in other States is found plying in the State of Bihar, without payment of prescribed taxes or without a valid permit, it would be liable to pay prescribed taxes for a period of 30 days, as penalty. In addition, a penalty equal to two times of the tax amount was also leviable. Further, the amount of penalty applicable could not be less than ₹5,000.

Audit scrutinised the e-challan data of two DTOs³ for the period April 2019 to May 2023. During scrutiny, Audit observed that 139 vehicles (registered outside Bihar) were found plying in the State without valid permits. Therefore, these vehicles were liable for payment of prescribed tax for 30 days and a penalty equal to two times of the tax amount. However, the concerned Assistant enforcement officer/enforcement officer levied and collected only the Bihar Entry Tax of ₹3.73 lakh, through 175 e-challans on these vehicles. Although, they were to levy and collect ₹20.49 lakh by invoking penalty as prescribed under the Act *ibid*. This resulted in short levy and collection of tax and penalty of ₹16.76 lakh (*Appendix-27*).

The Department did not furnish (April 2025) relevant reply to the audit observation in case of DTO Patna. However, in case of DTO Sitamarhi, the Department replied that instructions had been issued to the Enforcement Wing to take punitive action.

³ Patna (7,472 e-challans) and Sitamarhi (2,894 e-challans).

6.6 Levy of fine by indicating improper unique IDs of vehicles on e-challan

At the time of issuing a new e-challan through the Hand-held device (HHD), upon clicking on 'New Challan', a screen appears which allows the user to capture a picture of the vehicle's registration number and enter vehicle details such as alphanumeric Registration Certificate number/chassis number.

Audit scrutinised the e-challan data of STC Patna (39.61 lakh e-challans) for the period April 2019 to March 2024. During scrutiny, Audit observed that fines were levied by different Transport/Traffic Police Authorities through 540 e-challans, on the basis of recording improper Chassis or registration certificate number⁴, in place of valid alphanumeric chassis number/ registration certificate number. As a result, these vehicles could not be traced and fine of ₹1.11 crore could not be collected, leading to a loss of Government revenue to that extent.

Further, Audit also observed that in the e-challan database, 143 vehicles were shown as impounded and place of impoundment was also mentioned on the e-challan. Audit cross checked the details of these 143 vehicles in the 'VAHAN' software and found that challans had been imposed on these vehicles. However, they had their fitness renewed, and Pollution Under Control Certificates (PUC) issued, subsequent to the dates of their impoundment. This indicates that these vehicles were plying on the roads at later dates and the authorised officer either did not impound the vehicles or released them without disposing the e-challan issued.

The Department replied (April 2025) that instructions had been issued to NIC for the proper mapping of necessary provisions such as, e-challan data of those vehicles not being reflected in 'VAHAN' software.

The reply of the Department is not relevant to the audit observation as the authorised officers had levied fines on vehicles by entering improper chassis/registration certificate number in place of their unique registration certificate number/chassis number. Further, 143 vehicles, shown as impounded, were found released without realisation of pending e-challans.

6.7 Irregularities noticed at check posts

6.7.1 Lack of monitoring and supervisory control to achieve revenue targets at check-posts

Transport Department, GoB, issued (April 2019) directives for operation of check-posts in the State for levy and collection of Bihar Entry Tax and to fine errant vehicles. The Department also issued directions for levy and collection of the Bihar Entry Tax (BET) and fines (if any) through e-challan only. Check-posts were to be operated in three shifts on a roster basis and IDs and passwords were to be provided to all officers/officials deployed at check posts.

The Department, on the basis of targets received from the Finance Department, GoB, fixed revenue targets for its check posts on an annual basis during FYs 2019-20 to 2023-24. Out of total six check posts in the State, Audit scrutinised

⁴ In 330 cases: Chassis number mentioned on e-challan was not found in 'VAHAN' software and in 210 cases: Chassis number found in 'VAHAN' software but e-challan was not found mapped in 'VAHAN' software with registration number.

year wise revenue targets fixed by the Department and collection of revenue by two sampled check-posts⁵ under two of the test-checked DTOs. Details of revenue targets and collection of revenue there against are given in **Table 6.1**.

Table 6.1: Revenue targets and collection there against in two sampled check posts during 2019-20 to 2023-24

(₹ in crore)

Balthari check-post, Gopalganj				Dobhi check-post, Gaya		
Year	Target	Collection	Per cent	Target	Collection	Per cent
2019-20	NA*	46.72	NA	61.48	51.64	84
2020-21	39.76	41.00	103	32.67	33.34	102
2021-22	33.41	35.02	105	30.09	29.29	97
2022-23	44.40	26.45	60	35.60	29.67	83
2023-24	53.33	24.15	45	44.50	26.74	60

(Source: Information provided by respective DTOs) *NA: Information was not made available to Audit)

As can be seen from **Table 6.1**, in comparison to revenue targets, the achievement at Balthari check-post, Gopalganj, decreased from 105 per cent to 45 per cent during 2021-22 to 2023-24. Similarly, at Dobhi check-post, Gaya, revenue achievement against given targets, decreased from 102 per cent to 60 per cent between the years 2020-21 to 2023-24.

The Department did not analyse the reasons for non-achievements of revenue targets by its check posts during 2019-20 to 2023-24. Audit noticed that non-functional exit gates, non-usage of weighbridge for checking of overloaded vehicles and deployment of non-taxation officials to perform duties of taxation officer were the reasons for less collection of revenue at the Balthari check post (Gopalganj). The Department issued (February 2024) show cause notices to the DTOs of the both the sampled check posts. The show cause notices, however are yet to be responded to by these DTOs (as of September 2024).

Audit conducted (in July and August 2024) JPV of both the check-posts along with the concerned Additional District Transport Officers. Irregularities, observed at the Balthari check-post (Gopalganj), during JPV, are detailed below:

(a) The check post was being operated in three shifts, as per the assigned duty roster of officials posted (DTO/ADTO (01)/MVI (01)/ESI (01)). Each Enforcement Officer (ESI) was to use their own individual IDs in course of performing their duties. However, during the JPV it was noted that two enforcement officers were performing their duties, using two enforcement taxation IDs, although only one Enforcement Officer was posted at the check-post. Further, it was also noticed that clerks (non-taxation officials) of the office of the DTO were performing duty at the check-post, in place of DTO/ADTO.

(b) This check-post is an Integrated⁶ Check-post where two vehicle inspection lanes were constructed for both inward and outward movement of vehicles. During JPV, Audit found that revenue was being collected only at the inward

⁵ Balthari check-post, Gopalganj and Dhobhi check-post, Gaya.

⁶ Integrated check posts are for governing and managing the functioning of the Departments of Commercial Taxes, Environment, forest and climate change, Transport, Excise and Mining along with the borders of Bihar.

gate. There was no mechanism for inspection of vehicles at the outward gate, although the required infrastructure was found constructed. Further, although weighbridges were constructed on both sides (Entry and Exit gates), the weighbridge at the Entry gate (although found functional), was not being used by the taxation officers.

During JPV, the ADTO stated that inspection of vehicles at the Exit gate had been discontinued for the last two or three years, although there was no approval from the Department for non-usage of the Exit gate.

Due to non-checking of vehicles at the Exit gate, there was risk of potential loss of revenue due to non-collection of taxes such as Motor Vehicle Tax and Bihar Entry Tax and levy of applicable fines for overloading, plying without valid documents *etc.*

The Department replied (April 2025) that: (i) the revenue targets for check-posts were estimated and were fixed on the basis of targets received from the Finance Department, GoB (ii) shortfall in achievement of the revenue targets were attributable to decrease in number of vehicles passing through the check posts; non-levy of fine for any alteration made in vehicles; digital/ online payment of taxes/fee directly to the Government Account, instead of paying them at the check posts and use of alternative routes by the vehicles (iii) only four IDs are allowed at the Balthari check-post which included user IDs for DTO (01)/MVI (01) /ESI (02) and (iv) collection of fine had been started from the Exit gate. Further, inspection of vehicles was conducted on weigh bridge if the vehicles were suspected to be overloaded.

The reply of the Department is not acceptable as: (i) there had been persistent shortfalls in achievement of revenue targets since 2021-22 to 2023-24. The Department however, did not review the reasons for shortfall and kept increasing the revenue targets for the check posts (ii) out of total four user IDs, two were for enforcement officers but three enforcement officers were performing their duties using two user IDs (iii) the reply of the Department did not mention reasons for deployment of non-taxation officials in place of DTO/ADTO.

6.7.2 Non-levy of penalty at check-post on erring vehicle owners/drivers for second and subsequent offences

Chapter XIII of the MV Act, 1988, provides that whoever contravenes any provisions of this Act or any rule, regulation or notification made thereunder shall be punishable for the first offence, with fine and, for any second or subsequent offence with an extended fine.

In the office of the DTO, Gopalganj, Audit scrutinised e-challan data for levy and collection of fine at its Balthari check-post, for the period April 2019 to August 2024. During scrutiny, it was observed that out of 8,775 test-checked e-challans, in 277 e-challans, fines of ₹ 1.06 crore were levied for the same offence on the same vehicles but on different occasions *i.e.*, these were second or subsequent offences. Extended fine of ₹ 1.89 crore (for second and subsequent offences) should have been levied by the concerned taxation officials. Non-levy of extended fine for second and subsequent offences resulted into short levy of penalty of ₹ 0.83 crore as detailed in *Appendix-28*.

In this regard, Audit further observed that provisions for levy of extended fines for second and subsequent offences had not been mapped into the e-challan software of Parivahan Portal. However, neither did the DTO, Gopalganj, report this systematic issue to the Department nor did the Department take any action regarding this, indicating insufficient internal control and monitoring mechanism.

The Department replied (April 2025) that the provision for levy of extended fine was mapped in HHD/e-challan software and was being levied through e-challans, wherever it was applicable.

The reply of the Department is not acceptable as provision for the levy of extended fine in case of second and subsequent offences, was not mapped into the e-challan software.

6.8 Conclusions and Recommendations

There were deficiencies in enforcement of MV Act/ Bihar Motor Vehicle Act and Rules made thereunder. These deficiencies can be seen from the instances of lack of monitoring in recovery and non-realisation of e-challans; release of vehicles without clearing pending e-challans, which lead to increase in arrears of revenue. Further, Enforcement Wing did not levy fine on MV Tax defaulter vehicles and vehicles plying without valid permits. Besides, fine was being levied through improper unique IDs of vehicles on e-challans. In addition to this, there was insufficient monitoring and control at check posts to achieve revenue targets fixed by the Department.

Based on the audit findings, the Department may consider the following recommendations:

Recommendation 10: The Department may prescribe specific procedures to ensure quick disposal of pending e-challans and ensure effective compliance to its directives by mapping them into the 'VAHAN' software.

Recommendation 11: The Department may: (i) consider integration of 'VAHAN' and e-challan software systems (ii) ensure that all outstanding dues are realised before release of the impounded vehicles and (iii) ensure that the e-challan system is mapped in such a manner that disposal of the most recent challan is permitted only after the clearance of all previously pending challans.

Recommendation 12: The Department may ensure that e-challans generated on the basis of chassis number/registration certificate number are linked with 'VAHAN' software for monitoring the vehicle to allow collection of pending fines/ e-challans.

CHAPTER-VII
DELIVERY OF PUBLIC
SERVICES

Chapter VII

Delivery of Public Services

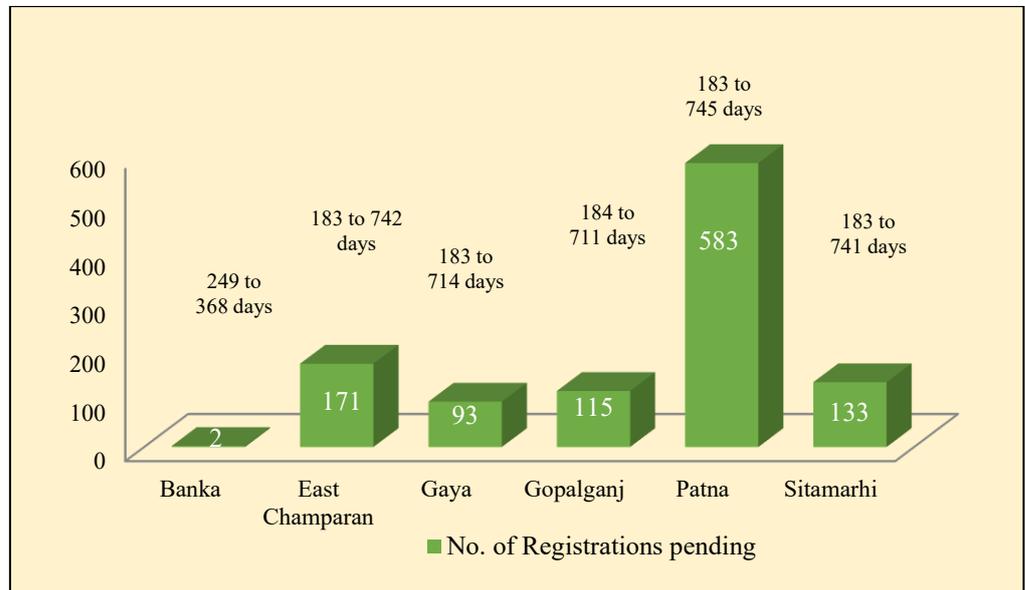
7.1 Non-monitoring of approval of certification of registration

The Transport Department, GoB, notified (September 2020) timelines under the Bihar Right to Public Service (BRTPS) Act 2011, to provide transport services to citizens for different classes of services such as issuance of registration certificate for vehicles (seven to 10 working days), issuance of driving licence (10 working days) *etc.*

Audit scrutinised the dealer point registration data in all the test-checked DTOs, for the period April 2019 to March 2024. Based on this, Audit observed that in case of 1,097 applications, out of 9,944 test-checked applications for registration of new vehicles, although the taxes due had been paid by the concerned dealers in time, there were delays ranging between 183 to 745 days in the verification of registration documents at the level of concerned MVIs. As such, issuance of certificates of registration for 1,097 vehicles was pending with the concerned DTO to this extent of delay, during the period September 2022 and March 2024. Registration certificates were yet to be approved (as of September 2024) for these vehicles.

Details of number of total applications submitted and delays in issuance of certificate of registration are shown in **Chart 7.1**.

Chart 7.1: Details of applications pending for issuance of certificate of registration



The 'VAHAN' also lacked to flag delays in verification of registration documents, indicating that it had not been mapped with the timelines prescribed in BRTPS Act.

Pendency of verification of registration documents with the MVIs for prolonged periods indicates insufficient monitoring on the part of concerned DTOs.

The Department replied (April 2025) that registration process including scrutiny and verification of documents and approval of registration was being monitored by the Department through VC, on a regular basis. In Gaya, instructions had been issued to all the dealers for timely generation of tax challan.

The reply of the Department is not acceptable as registration cases were pending with MVIs and MV Tax and fee along with all necessary documents had been received from the dealers.

7.2 Delay in delivery of public services

The Transport Department, Government of Bihar, notified (September 2020) delivery of 20 public services¹ under the BRTPS Act, 2011. In this context, Audit scrutinised data related to issue of new registrations/Temporary Registration certificates, grant/renewal of permit/fitness, issue/renewal of driving licence *etc.*, in all the test- checked DTOs for the period April 2019 to March 2024.

During scrutiny, Audit observed that although all the 20 services notified under BRTPS were being delivered, delivery time for nine, out of 20 services was beyond the prescribed timelines, with delays ranging between 01 and 1,973 days, as detailed in **Table 7.1**.

Table 7.1: Non-delivery of public services within stipulated time

Sl. No.	Name of Service	Timelines prescribed under BRTPS (working days)	Delay (in days) in delivery of service
1	Issue/renewal of permit	10	01 to 346
2	Issue/renewal of fitness certificate	7	01 to 1,475
3	Issue of Temporary Registration number	7	01 to 846
4	Issue of DL	10	01 to 1,507
5	Issue of duplicate DL	7	01 to 1,740
6	Issue of duplicate RC	7	01 to 1,973
7	Renewal of DL	10	01 to 1,855
8	International DL permit	15	01 to 1,406
9	Renewal of RC	15	01 to 1,473

Besides depriving citizens of timely delivery of services, such delays also highlighted insufficient monitoring & internal control on the part of the Department.

The Department replied (April 2025) that delivery of 20 services notified under BRTPS Act, 2011, was being monitored by the Department, on a regular basis. In DTO Gaya, delays in delivery of services were noticed due to incomplete documents submitted by the applicants.

The reply of the Department is not acceptable as nine out of 20 services were being provided in the State with substantial delays. In case of DTO, Gaya, the

¹ Issue of LL/DL, Issue of duplicate DL, Conversion of DL into smart card, issue of international DL, TR of vehicle, New registration, Issue of duplicate RC, Renewal of RC, Cancellation of RC, Issue/renewal of trade certificate, Issue of tax token, Surrender of vehicle, Issue/renewal of licence of petrol pump, Issue/renewal of fitness certificate, Accidental report, Issue of duplicate fitness, Endorsement of Tax refund/exemption case, Disposal of PUCC application and Issue of permit.

reply is not acceptable as in all the cases, required documents were uploaded by the applicants through online mode and no case was returned/commented on the basis that documents were incomplete.

7.3 Conclusions and Recommendation

Thus, there were inefficiencies in delivering public services within the stipulated timelines as there were instances of significant delays in registration of vehicles. Besides, mandated public services were either not being provided or were being provided with delays. Which has deprived citizens of timely services.

Based on the audit findings, the Department may consider the following recommendation:

Recommendation 13: The Department may ensure timely delivery of public services as per the Bihar Right to Public Services Act.

Patna
The 12 January 2026

(HAUTINLAL SUANTAK)
Accountant General (Audit-I), Bihar

Countersigned

New Delhi
The 19 January 2026

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

APPENDICES

Appendix- 1

(Reference: Paragraph 3.1.2)

Entry of wrong purchase date in 'VAHAN' software by authorised dealers to avoid levy of penalty on MV Tax (Transport Vehicles)

Sl. No.	Name of DTOs	No. of dealers	No. of Transport vehicles	Vehicles registered between	Vehicles purchased between	Insurance valid between	MV Tax paid between	Difference between date of Insurance and date of Purchase (in days) (for fine u/s 192b(4))	Difference between date of Insurance and date of Tax payment (in days) (for penalty under Rule 4(2))	Fine leviable on dealers u/s 192b(4) [#]	Amount of penalty leviable under Rule 4 (2) not calculated by VAHAN*	(Amount: in ₹)	
												5	6
1	Banka	44	213	13-09-2019	18-08-2019	20-12-2018	29-08-2019	8 - 364	16 - 365	21,48,259	27,39,623	48,87,882	
2	Gaya	77	1,261	27-09-2019	10-09-2019	05-04-2019	10-09-2019	8 - 363	16 - 363	88,91,961	80,59,880	1,69,51,841	
3	Gopalganj	41	439	30-11-2019	22-11-2019	06-02-2019	22-11-2019	8 - 639	16 - 639	25,75,107	18,72,583	44,47,690	
4	East Champaran	31	360	03-09-2019	16-07-2019	10-12-2018	17-07-2019	8 - 325	16 - 325	26,76,548	25,81,692	52,58,240	
5	Patna	223	2140	08-05-2019	30-04-2019	04-02-2019	04-05-2019	8 - 622	16 - 629	2,32,16,754	2,65,75,363	4,97,92,117	
6	Sitamarhi	37	302	06-09-2019	26-08-2019	08-04-2019	05-09-2019	8 - 325	16 - 327	19,51,282	16,39,918	35,91,200	
TOTAL		453	4,715							4,14,59,911	4,34,69,059	8,49,28,970	

(Source: VAHAN Database of respective DTOs)

*Penalty (from 25 per cent to 200per cent) had been calculated on MV Tax payable, on the basis of delay in days

Fine had been calculated at the rate of 10 times of the annual MV Tax payable

Appendix-2
(Reference: Paragraph 3.1.2)

Entry of wrong purchase date in 'VAHAN' software by authorised dealers to avoid levy of penalty on MV tax (Non-transport Vehicles)

Sl. No.	Name of DTOs	No. of dealers	No. of vehicles (Non-Transport)	Vehicles registered between		Purchased by vehicle owners between		Insurance valid between		Tax paid between		Difference between date of Insurance and date of Purchase (in days)	Fine leviable on dealers U/s 192b(4)#
				5	6	7	8	9	10				
1	Banka	27	1,016	03-09-2019	10-03-2024	24-12-2018	08-03-2024	23-09-2018	27-12-2023	07-07-2019	10-03-2024	16 - 365	53,64,120
2	Gaya	71	2,940	01-09-2019	31-03-2024	14-01-2019	31-03-2024	02-11-2018	14-03-2024	14-05-2019	31-03-2024	16 - 1215	3,32,69,479
3	Gopalganj	35	4,079	12-09-2019	08-05-2024	24-08-2019	07-05-2024	19-11-2018	25-04-2024	29-08-2019	08-05-2024	8 - 913	2,18,06,237
4	East Champaran	32	722	02-09-2019	08-05-2024	08-09-2018	08-05-2024	17-05-2018	04-04-2024	22-08-2019	08-05-2024	8 - 395	54,46,251
5	Patna	209	3,638	01-09-2019	20-08-2024	04-01-2019	18-08-2024	08-09-2018	31-07-2024	31-03-2019	18-08-2024	16 - 1246	6,52,68,410
6	Sitamarhi	34	1,741	02-09-2019	15-04-2024	02-06-2019	15-04-2024	09-10-2018	02-04-2024	11-06-2019	15-04-2024	8 - 1199	85,91,221
Total		408	14,136										13,97,45,718

(Source: VAHAN Database of respective DTOs)

#Fine had been calculated at the rate of 2/3rd of the One Time Tax payable

Appendix-3
(Reference: Paragraph 3.1.3)
Absence of provision for levy of penalty on non-transport vehicles for belated payment of tax

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of vehicle registered with delays	Purchased by vehicle owners between	Vehicles registered between	Tax paid by the dealers between	Delay in days (Difference between date of purchase and tax paid)	Penalty leviable under Rule 4(2)*
1	2	3	4	5	6	7	8	9
1	Banka	43,860	7,826	19-04-2017 11-03-2024	01-04-2019 31-03-2024	21-02-2019 31-03-2024	16- 1,016	3,65,21,112
2	Gaya	1,93,734	19,463	06-11-2009 13-03-2024	14-04-2019 31-03-2024	10-05-2018 31-03-2024	16- 3,658	10,95,78,372
3	Gopalganj	83,723	8,041	20-01-2014 22-04-2024	01-04-2019 14-05-2024	23-01-2019 14-05-2024	16- 3,074	6,95,10,796
4	East Champaran	2,44,491	63,811	01-11-2012 15-03-2024	02-09-2019 31-03-2024	14-01-2019 31-03-2024	16- 3,170	27,24,13,486
5	Patna	4,92,117	16,416	31-10-2016 29-02-2024	01-04-2019 24-03-2024	10-09-2018 22-03-2024	16- 1,242	24,18,72,903
6	Sitamarhi	1,37,584	23,973	26-10-2014 14-03-2024	01-04-2019 31-03-2024	18-02-2019 31-03-2024	16 - 2,559	12,20,83,033
Total		11,95,509	1,39,530					85,19,79,702

(Source: VAHAN Database of respective DTOs)

*Penalty (from 25 per cent to 200 per cent) had been calculated on MV Tax payable on the basis of delay in days.

Appendix- 4
(Reference: Paragraph 3.1.4)
Details of registration of vehicles in case of change of At Present (AP) address

Sl. No.	Name of DTOs	No. of vehicles test checked	No. of vehicles for which change of AP was applied	No. of vehicles on which tax was not levied from the date of NOC	NOC issued between		Tax paid (application made) by the new owners of vehicles between		Non-realisation of tax for the period		Delayed payment of tax (in days) (Difference between date of NOC and tax paid)	Amount of Tax not realised	Amount of Penalty not realised	Total (10 + 11)
					from	up to	from	up to	from	up to				
1	2	3	4	5	6	7	8	9	10	11	12			
1	East Champaran	250	87	87	03-03-2021	21-10-2023	03-08-2022	02-11-2023	04-03-2021	01-11-2023	3 - 618	3,51,043	12,43,997	15,95,040
2	Gopalganj	36	12	12	31-05-2021	22-03-2024	24-09-2021	22-05-2024	01-06-2021	21-05-2024	15 - 1023	89,994	1,48,297	2,38,291
3	Patna	1,248	43	12	08-02-2020	11-10-2023	07-12-2020	01-12-2023	09-02-2020	30-11-2023	19 - 1190	48,929	77,604	1,26,533
4	Sitamarhi	1,217	82	6	21-12-2021	07-03-2024	11-03-2022	30-05-2024	22-12-2021	29-05-2024	0 - 1539	8,637	75,030	83,667
	Total	2,751	224	117								4,98,603	15,44,928	20,43,531

(Source: VAHAN Database of respective DTOs)

Appendix-5
(Reference: Paragraph 3.1.5)
Transfer of ownership of auctioned vehicles without realisation of Motor Vehicle Tax

Sl. No.	Name of DTOs	No. of vehicles test checked	No. of vehicles involved	Auction date between	Approval/Transfer of ownership between	MV Tax not realised for	Delay in days (for which tax not levied)	Tax Amount leviable	Penalty leviable under Rule 4(2)*	Total tax and penalty leviable (11 + 12)
										(Amount: in ₹)
1	2	3	4	5	7	8	10	11	12	13
1	Patna	28	5	28-12-2021 29-11-2023	02-02-2022 15-05-2024	29-12-2021 13-04-2028	107-962	88,081	1,76,162	2,64,243
2	Sitamarhi	66	5	18-11-2021 13-04-2022	29-03-2022 28-01-2023	19-11-2021 13-04-2027	584-891	1,03,078	2,06,156	3,09,234
Total		94	10					1,91,159	3,82,318	5,73,477

(Source: VAHAN Database of respective DTOs)

*Penalty (from 25per cent to 200per cent) had been calculated on MV Tax payable on the basis of delay in days

Appendix-6
(Reference: Paragraph 3.2)
Availing of Amnesty Scheme by newly purchased unregistered vehicles

Sl. No.	Name of DTOs	No. of vehicles test checked	No. of vehicles irregularly registered under Amnesty scheme	Vehicles purchased between		Vehicles registered between		Vehicle class	Tax paid (col.4*25000)	Tax paid between		Delay in days (between date of tax payment and vehicle purchase date)	Sale value of vehicle	MV Tax payable (Sale value* 4.5%)	Penalty payable (25% to 200%)	Total MV Tax and Penalty payable (12+13)	Short collection of MV Tax and penalty (14-8)
				5	6	7	8			9	10						
1	Araria	5,914	67	July 2017	April 2018	October 2017	November 2018	Tractor (Commercial)	16,75,000	January 2018	June 2018	25-353	3,74,48,892	16,85,195	23,16,957	40,02,152	23,27,152
2	Banka	3,839	115	July 2017	September 2020	July 2017	December 2020	Tractor (Commercial)	28,90,500	November 2017	September 2020	0-275	6,49,53,919	29,22,937	15,76,265	44,99,202	16,08,702
3	Buxar	3,207	25	October 2017	May 2018	October 2017	July 2018	Tractor (Commercial)	6,25,000	May 2018	June 2018	14-242	1,41,55,029	6,36,976	8,90,875	15,27,851	9,02,851
4	Darbhanga	2,215	48	November 2019	September 2020	December 2019	July 2021	Tractor (Commercial)	12,00,000	December 2019	September 2020	0-82	3,03,79,994	13,67,102	2,00,212	15,67,314	3,67,314
5	Madhepura	4,350	37	July 2017	July 2020	October 2017	September 2020	Tractor (Commercial)	9,25,000	September 2017	September 2020	15-206	2,20,31,542	9,91,418	9,04,991	18,96,409	9,71,409
6	Supaul	3,456	80	July 2017	January 2020	September 2017	February 2020	Tractor (Commercial)	20,00,000	September 2017	February 2020	18-340	4,46,62,780	20,09,835	35,40,665	55,50,500	35,50,500
7	West Champaran	8,950	167	July 2017	September 2020	December 2017	October 2020	Tractor (Commercial)	41,75,000	December 2017	September 2020	0-348	8,99,11,894	40,46,035	66,11,877	1,06,57,912	64,82,912
Total		31,931	539						1,34,90,500				30,35,44,050	1,36,59,498	1,60,41,842	2,97,01,340	1,62,10,840

(Source: VAHAN Database of respective DTOs)

Appendix- 7
(Reference: Paragraph 3.3)

Issue of certificate of deposit by the Registered Vehicle Scrapping Facility without clearance of financial dues of the vehicles

Sl. No.	Registration number of old vehicle	Vehicle Class	Registered with DTO	COD Number	COD issued on	Registration number of new vehicle	Sale amount of new vehicle	Total MV Tax payable	Rebate allowed by DTO (Col.9*25%)
1	2	3	4	5	6	7	8	9	10
1	DL3XXXXX89	Motor Car	Patna	COD2023126DL3CBC2589	03-12-2023	BR01XXXXX00	1,23,70,000	14,84,400	3,71,100
2	BR1XXXX15	Motor Car	Patna	COD202312700BR1Z7015	23-12-2023	BR01XXXXX98	9,78,000	97,800	24,450
3	JH0XXXX55	Motor Car	Patna	COD20240160JH09H3855	04-01-2024	BR01XXXXX01	13,69,000	1,36,900	34,225
4	BR2XXXX74	Motor Car	Bokaro	COD20240300BR20C2274	16-03-2024	BR01XXXXX56	7,51,500	67,635	16,909
5	BR0XXXX81	Motor Car	Patna	COD2024057BR01AR9381	11-05-2024	BR01XXXXX75	21,28,999	2,55,480	63,870
6	JH0XXXXX0	Motor Car	Siwan	COD20240320JH05D7500	18-03-2024	BR01XXXXX59	14,23,500	1,42,350	35,588
7	BR1XXXX30	Motor Car	Patna	COD202405700BR1X5630	14-05-2024	BR01XXXXX74	12,61,000	1,26,100	31,525
8	BR1XXXX65	Motor Car	Patna	COD202406800BR1Z3765	29-06-2024	BR01XXXXX44	9,24,900	92,490	23,123
9	BR1XXXX45	Motor Car	Patna	COD202406600BR1AL0445	05-06-2024	BR01XXXXX31	30,98,000	3,71,760	92,940
10	JH01XXXX55	Motor Car	Ranchi	COD20240710JH01N7555	16-07-2024	BR01XXXXX77	22,49,000	2,69,880	67,470
11	BR1XXXX14	Motor Car	Patna	COD20240700BR1AF1714	25-07-2024	BR01XXXXX65	12,14,990	1,21,499	30,375
12	BR1XXXX50	Motor Car	Ranchi	COD20240830BR14H3950	08-08-2024	BR01XXXXX93	10,40,200	1,04,020	26,005
13	DL9XXXX67	Motor Car	Dwarka	COD20240860DL9CW2267	13-08-2024	BR01XXXXX06	9,14,499	91,450	22,863
14	BR1XXXX07	Motor Car	Patna	COD202408400BR1Z9007	18-08-2024	BR01XXXXX08	17,41,801	2,09,016	52,254
15	BR01XXXX71	Motor Car	Patna	COD2024081BR01AT1571	10-08-2024	BR01XXXXX95	8,77,500	87,750	21,938
16	JH01XXXX23	Motor Car	Patna	COD20240880JH01J2323	21-08-2024	BR01XXXXX74	6,75,500	60,795	15,199
17	GJ05XXXX56	Motor Car	Patna	COD2024083GJ05JK0456	18-03-2024	BR01XXXXX13	10,68,999	1,06,900	26,725
18	BR01XXXX69	Motor Car	Patna	COD2024091BR01BG6469	11-09-2024	BR01XXXXX80	25,35,499	3,04,260	76,065
19	BR01XXXX33	Motor Cab	Patna	COD2024033BR01PD8933	18-03-2024	BR01XXXXX13	7,45,999	67,140	16,785
Total									10,49,409

(Source: VAHAN Database of respective DTOs)

Appendix- 8
(Reference: Paragraph 3.3)
Issue of certificate of deposit without collecting MV Tax from the vehicles

Sl. No	Registration number of old vehicle	Vehicle Class	Registered with DTO	COD Number	COD issued on	Registration number of new vehicle	Value of new vehicle	Total MV Tax payable	Rebate allowed by DTO (Col.9*25%)
	2	3	4	5	6	7	8	9	10
1	BR2XXXX74	Motor Car	Bokaro	COD20240300BR20C2274	16-03-2024	BR01XXXX56	7,51,500	67,635	16,909
2	BR1XXXX57	Motor Car	Dumka	COD202401800BR1P2657	18-01-2024	BR01XXXX29	11,14,500	1,11,450	27,863
3	DL9XXXX67	Motor Car	Dwarka	COD20240860DL9CW2267	13-08-2024	BR01XXXX06	9,14,499	91,450	22,863
4	JH05XXXX55	Motor Car	Jamshedpur	COD20240750JH05K7155	13-07-2024	BR01XXXX64	6,59,500	59,355	14,839
5	NL04XXXX86	Motor Car	Nagaland	COD20240880NL04C0786	17-08-2024	BR01XXXX59	8,94,900	89,490	22,373
6	JH01XXXX55	Motor Car	Ranchi	COD20240710JH01N7555	16-07-2024	BR01XXXX77	22,49,000	2,69,880	67,470
7	BR14XXXX50	Motor Car	Ranchi	COD20240830BR14H3950	08-08-2024	BR01XXXX93	10,40,200	1,04,020	26,005
8	GJ05XXXX56	Motor Car	Surat	COD20240830GJ05JK0456	18-03-2024	BR01XXXX13	10,68,999	1,06,900	26,725
Total								2,25,047	

(Source: VAHAN Database of respective DTOs)

Appendix- 9
(Reference: Paragraph 3.3)
Issue of certificate of deposit by the Registered Vehicle Scrapping Facility without clearance of financial dues of the vehicles

Sl. No.	Name of Scrapping Facility	Registration number of vehicle	Vehicle Class	COD Number	COD issued on	Tax paid from	Tax paid up to	Amount of MV Tax paid	MV Tax due from	MV Tax due	Amount of pending e-challans
1	2	3	4	5	6	7	8	9	10	11	12
1	Sri Neelayum Precoated Steel	BR01XXXX66	Motor Cab	COD2024078BR01BK6666	08-07-2024	19-10-2020	18-10-2021	3,200	19-10-2021	8,000	0
2		UP32XXXX81	Goods Carrier	COD2024063UP32AN4081	06-06-2024	01-01-2023	30-06-2023	12,100	01-07-2023	24,200	0
3		UP32XXXX82	Goods Carrier	COD2024060UP32AN4082	06-06-2024	01-01-2023	30-06-2023	12,100	01-07-2023	24,200	0
4		GRXXXX45	Goods Carrier	COD2024064000GRQ7145	06-06-2024	01-04-2018	30-09-2018	8,228	01-10-2018	94,622	0
5		UP32XXXX79	Goods Carrier	COD2024094UP32AN3279	10-09-2024	01-01-2019	31-12-2019	22,325	01-01-2020	1,06,044	0
6		BR01XXXX94	Motor Car	COD2023127BR01AS3994	29-12-2023	03-10-2009	02-10-2024	NA*	NA	NA	1,000
7		BR01XXXX59	Motor Car	COD2024060 BR01BF4259	24-06-2024	12-12-2012	20-12-2027	NA	NA	NA	5,500
8		BR01XXXX71	Motorcycle	COD2024085 BR01CF5771	10-08-2024	29-11-2014	28-11-2029	NA	NA	NA	1,000
9		BR01XXXX69	Motor Car	COD2024091BR01BG6469	11-09-2024	01-12-2011	30-11-2026	NA	NA	NA	2,500
Total										2,57,066	10,000
Gross Total										2,57,066	2,67,066

(Source: VAHAN Database of respective DTOs)

* NA = Not applicable as tax had been paid

Appendix- 10
(Reference: Paragraph 3.4.1)
Plying of permanent permit holder transport vehicles without valid documents

Sl. No.	Name of DTOs	No. of Permanent Permit issued	No. of Vehicles eligible for suspension	Vehicle registered between		Permit issued between	
1	2	3	4	5		6	
1	Banka	1,442	974	July 2004	October 2023	August 2021	March 2024
2	East Champaran	1,313	946	March 1997	October 2023	September 2021	March 2024
3	Gaya	2,172	1,256	February 1991	November 2023	February 2023	March 2024
4	Gopalganj	869	361	June 2000	October 2023	July 2021	March 2024
5	Patna	15,049	5,669	February 1974	February 2024	August 2021	March 2024
6	Sitamarhi	698	316	February 2006	January 2024	February 2023	March 2024
	Total	21,543	9,522				

Appendix- 11
(Reference: Paragraph 3.4.2)
Registration of new transport vehicles without ensuring grant of permit

Sl. No.	Name of DTOs	No. of test checked vehicles	Category of vehicles				Total no. of registered vehicles without permit	Vehicles registered between		No. of Dealers	Amount of permit fee* not levied (Amount: in ₹)
			Goods Carriage	Maxi cab/Motor Cab (Contract Carriage)	3-Wheeler Passengers (Contract Carriage)	Tractor (Comm.)					
1	2	3	4	5	6	7	8	9	10	11	
1	Banka	3,240	12	11	146	1,755	1,924	July 2019	March 2024	25	1,55,74,450
2	East Champaran	10,653	17	19	317	750	1,103	June 2020	March 2024	40	85,29,800
3	Gaya	12,498	89	229	3,311	2,243	5,872	April 2019	March 2024	76	4,32,45,400
4	Gopalganj	3,916	19	62	313	109	503	April 2019	March 2024	32	42,84,350
5	Patna	53,685	254	664	25,959	2,890	29,767	April 2019	March 2024	194	18,81,52,750
6	Sitamarhi	5,637	3	11	1,273	1,665	2,952	April 2019	August 2023	41	2,11,30,200
	Total	89,629	394	996	31,319	9,412	42,121			408	28,09,16,950

(Source: VAHAN Database of respective DTOs)

*Permit fee includes application fee and permanent permit fee (depending upon the class of vehicle); transaction fee (₹1000) and surcharge (leviable on contract carriage permit)

Appendix- 12
(Reference: Paragraph 3.4.3)
Non-renewal of authorisation of National Permit for goods carriages

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of vehicles without authorised National Permit	Period of non-authorisation of National Permit	National Permit Authorisation fee* due
1	2	3	4	5	6
1	Banka	37	13	March 2023	2,77,500
2	East Champaran	86	4	November 2023	74,000
3	Gopalganj	1,291	41	July 2022	10,17,500
4	Patna	2,074	59	January 2024	10,91,500
5	Sitamarhi	41	10	April 2024	1,85,000
Total		3,529	127	August 2024	26,45,500

(Source: VAHAN Database of respective DTOs)

* Authorisation fee (per vehicle) includes composite fee (₹16,500), Home authorisation fee (₹1,000) and transaction fee (₹1,000)

Appendix- 13
(Reference: Paragraph 3.4.4)
Irregular grant of permits to goods carriages and contract carriages

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of vehicles for which irregular permits were granted	Vehicle Class	Type of Permit	Permit fee (for throughout the State) leviable	Permit fee levied for one region	Short permit fee levied
1	2	3	4	5	6	7	8	9
1	Banka	1,125	876	Tractor(Commercial)	Goods Carriage Permit	71,83,200	36,85,200	34,98,000
2	East Champaran	284	133	Tractor(Commercial)	Goods Carriage Permit	10,90,600	5,58,600	5,32,000
3	Gaya	465	70	Tractor(Commercial)	Goods Carriage Permit	5,74,000	2,94,000	2,80,000
4	Patna	1,900	66	Motor Cab	Contract Carriage Permit	15,60,900	10,65,900	4,95,000
Total		3,774	1,145		Contract Carriage Permit	1,04,08,700	56,03,700	48,05,000

(Source: VAHAN Database of respective DTOs)

Appendix- 14
(Reference: Paragraph 4.3)
Plying of transport vehicles without valid fitness certificate

Sl. No.	Name of DTOs	No. of vehicles test checked	No. of vehicles with expired fitness	Vehicle Class					Plied without fitness between	Fitness Renewal fee* leviable	No. of vehicles paid Tax after expiry of fitness date	No. of Fitness expired vehicles on which fine was levied through e-challans
				Goods Carrier	Stage Carriage	Maxi/Motor Cab (LMV)	Tractor (Comm.)	3-Wheeler Passenger (LMV)				
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Banka	3,010	1,228	185	20	42	800	181	April 2019	7,57,200	53	30
2	East Champaran	2,620	2,271	744	52	334	916	225	April 2019	13,90,400	102	24
3	Gaya	8,107	2,478	1,175	157	322	253	571	January 2022	15,93,000	456	67
4	Gopalganj	2,620	666	290	32	91	195	58	April 2019	4,21,800	59	41
5	Patna	46,237	26,444	9,724	563	2,444	3,520	10,193	April 2019	1,68,44,600	1,948	375
6	Sitamarhi	3,751	2,834	383	20	103	1,266	1,062	April 2019	17,36,200	65	60
	Total	66,345	35,921	12,501	844	3,336	6,950	12,290		2,27,43,200	2,683	597

(Source: VAHAN Database of respective DTOs)

*Fitness Renewal fee includes fitness inspection fee (leviable at the rate of ₹400 for LMV and ₹600 for HMV) and Testing fee of ₹200 for each class of vehicles

Appendix- 15
(Reference: Paragraph 5.2.1)
Short payment of One Time Tax for vehicles registered through dealer point

Sl. No	Name of DTOs	No. of dealers	No. of test checked vehicles	Type of vehicles				Total No. of vehicles	Vehicles registered between	MV Tax paid by vehicles between	MV Tax paid	Report Date	Delay in payment of short tax from Report Date (in days)	MV Tax payable	Short MV Tax paid	Penalty payable under Rule 4(2) (25% to 200%)	Total amount leviable (Col 16 +Col 17)
				E-trickshaw	3 wheeler	Tractor	Maxi cab										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Sitamarhi	1	2,770	8	0	0	0	8	February 2020	February 2020	1,976	04-09-2024	1667-1672	42,336	40,360	80,720	1,21,080
2	East Champaran	3	4,272	0	18	4	1	23	September 2019	October 2023	1,41,909	30-07-2024	294-1789	3,61,106	2,19,197	4,38,394	6,57,591
3	Gopalganj	2	5,052	1	0	0	1	2	August 2019	October 2023	3,573	21-08-2024	316-1831	72,317	68,744	1,37,487	2,06,231
4	Patna	12	15,620	176	0	0	1	177	March 2021	February 2021	5,36,861	23-09-2024	251-1306	13,96,964	8,60,103	17,20,206	25,80,309
	Total	18	27,714	185	18	4	3	210			6,84,319			18,72,723	11,88,404	23,76,807	35,65,211

(Source: VAHAN Database of respective DTOs)

Appendix- 16
(Reference: Paragraph 5.2.2)
Short collection of One Time Tax and non-recovery of penalty on one time tax from the owners of vehicles by
District Transport Officers

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of vehicles registered	Vehicles registered between	MV Tax paid between	Delay in days	Amount of MV Tax realised (quarterly/annually)	One time MV Tax payable	Amount of short MV Tax paid	Penalty payable under Rule 4(2) for delays	Total amount leviable (Col 11 + 12)
(Amount: in ₹)											
1	2	3	4	5	6	7	8	9	10	11	12
1	Gaya	829	16	January 2018 September 2019	May 2019 January 2024	110-1900 (as of 02.08.2024)	2,61,749	13,77,495	11,15,746	22,31,492	33,47,238
2	Patna	7,217	2	March 2020 December 2020	March 2020 April 2024	171-1645 (as of 23.09.2024)	50,675	2,48,444	1,97,769	3,95,538	5,93,307
TOTAL		8,046	18				3,12,424	16,25,939	13,13,515	26,27,030	39,40,545

(Source: VAHAN Database of respective DTOs)

Appendix- 17
(Reference: Paragraph 5.2.3)
Non-recovery of Motor Vehicle Tax from construction equipment vehicles

Sl. No.	Name of DTOs	No. of Test Checked vehicles	No. of registered vehicles which paid MV Tax quarterly/annually	Vehicles registered between	MV Tax paid between	Amount of MV Tax realised (quarterly/annually)	One time MV Tax payable	Short MV tax payable (Col 8-7)
(Amount: in ₹)								
1	2	3	4	5	6	7	8	9
1	Sitamarhi	142	67	June 2020 February 2022	June 2020 February 2022	3,00,125	1,12,55,423	1,09,55,298
2	East Champaran	403	234	April 2019 September 2022	April 2019 February 2022	11,23,325	3,74,42,279	3,63,18,954
3	Gopalganj	155	92	July 2020 February 2022	July 2020 February 2022	4,24,025	1,41,39,741	1,37,15,716
4	Patna	1,702	687	November 2019 March 2022	May 2020 February 2022	32,79,550	11,89,41,115	11,56,61,565
5	Gaya	325	155	June 2019 March 2022	March 2020 February 2022	8,49,299	2,51,58,244	2,43,08,945
6	Banka	34	20	December 2019 February 2022	December 2019 January 2022	1,54,225	32,94,029	31,39,804
Total		2,761	1,255			61,30,549	21,02,30,831	20,41,00,282

(Source: VAHAN Database of respective DTOs)

Appendix- 18
(Reference: Paragraph 5.3)
Non-realisation of Motor Vehicle Tax from Annual MV tax paying transport vehicles

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of Objected Vehicle	Period of Registration		MV Tax paid up to	Report Date	Delay of Report Date (in days)	Amount of MV Tax due	Amount of penalty under Rule 4(2) for delay	Amount of RSC (@1% of MV Tax)	RSC Fine*	Amount to be realised (Col 9+10+11+12)
				5	6								
1	Banka	509	165	03-02-2010	16-11-2023	20-04-2019	08-08-2024	132-1937	46,40,464	92,80,928	46,403	50,649	1,40,18,444
2	Gaya	4,747	1,286	01-01-2010	19-02-2024	03-04-2019	23-07-2024	116-1210	2,65,35,166	5,30,70,332	2,65,366	1,80,752	8,00,51,616
3	Gopalganj	2,132	481	13-01-2010	28-12-2023	07-04-2019	12-08-2024	136-1954	1,54,16,029	3,08,32,058	1,54,154	1,59,649	4,65,61,890
4	East Champaran	10,614	353	14-01-2010	23-10-2023	15-02-2019	18-07-2024	111-1980	83,06,118	1,66,12,236	83,053	85,197	2,50,86,604
5	Patna	14,020	4,935	01-01-2010	02-01-2024	03-04-2019	03-09-2024	158-1342	9,63,03,420	19,26,06,840	9,63,080	7,21,526	29,05,94,866
6	Sitamarhi	3,270	429	08-01-2010	25-08-2023	07-04-2019	27-08-2024	152-1969	1,57,71,531	3,15,43,062	1,57,705	1,70,599	4,76,42,897
Total		35,292	7,649						16,69,72,728	33,39,45,456	16,69,761	13,68,372	50,39,56,317

(Source: VAHAN Database of respective DTOs)

* at the rate of 2.5% of Road Safety Cess (RSC) per month.

Appendix- 19
(Reference: Paragraph 5.3.1)
Classification of category of vehicles

Wheel Base(in inches)	Category of Bus as per Seating capacity		
	Ordinary Bus	Semi Deluxe Bus	Deluxe Bus
228	61	49	41
216	55	44	37
210	54	43	36
206	53	42	35
205	53	42	35
203	53	42	35
204	53	42	35
190	48	38	32
180	40	32	27
179	38	30	25
176	37	30	25
167	33	26	22
166	33	26	22
165	33	26	22
163	32	26	21
143	28	22	19
142	25	20	17

(Source: BMV Act, 1994 as amended in 2014)

Appendix- 20
(Reference: Paragraph 5.3.1)
Short levy of MV Tax on Stage carriages due to wrong assessment of classification of category

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of vehicle registered	Vehicles registered between		Wheelbase of buses (in inches)	No. of seat in vehicles	Classification of buses determined by MVI for collection of MV tax	No. of vehicles to be classified as		Amount of MV Tax paid	Amount of MV Tax payable	Amount of short MV Tax payable (Col 12-11)
				5	6				Deluxe	Semi Deluxe			
1	2	3	4	5	6	7	8	9	10	11	12	13	
1	Sitamarhi	113	23	June 2019	February 2024	142-207	20-44	Ordinary	2	21	25,16,967	31,15,047	5,98,080
2	East Champaran	116	25	April 2019	October 2023	146-213	18-43	Ordinary	2	23	25,60,634	32,30,633	6,69,999
3	Gopalganj	285	14	July 2019	June 2023	146-213	18-43	Ordinary	1	13	11,90,279	15,03,408	3,13,129
4	Patna	1,054	324	April 2019	March 2024	146-244	18-55	Ordinary	134	190	2,26,72,788	2,97,48,426	70,75,638
5	Gaya	940	217	April 2019	March 2024	158-222	26-53	Ordinary	19	198	1,70,19,645	2,17,06,971	46,87,326
6	Banka	63	38	April 2019	December 2023	146-236	22-63	Ordinary	11	27	29,16,808	38,47,103	9,30,295
	Total	2,571	641					169	472	4,88,77,121	6,31,51,588	1,42,74,467	

(Source: VAHAN Database of respective DTOs)

Appendix- 21
(Reference: Paragraph 5.3.2)
Non-realisation of Green Tax and penalty from transport vehicles

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of registered vehicle which paid MV Tax without paying Green Tax	Vehicle registered between	MV Tax Paid between	Report date	Green Tax payable	Delay in payment of Green Tax from report date (in days)	Penalty payable under Rule 4(2)	Total Green Tax and Penalty payable (Col 8+10)					
1	2	3	4	5	6	7	8	9	10	11					
1	Sitamarhi	839	63	November 2003	March 2012	April 2019	May 2024	27-08-2024	April 2019	March 2012	November 2003	85,749	95-1952	1,71,498	2,57,247
2	East Champaran	1,397	28	January 2005	April 2012	February 2019	April 2024	31-07-2024	February 2019	April 2012	January 2005	30,883	120-2007	61,766	92,649
3	Gopalganj	948	34	September 2004	March 2012	April 2019	March 2024	19-08-2024	April 2019	March 2012	September 2004	42,414	145-1967	84,828	1,27,242
4	Patna	37,935	814	January 2000	December 2011	March 2018	May 2024	23-08-2024	March 2018	December 2011	January 2000	12,94,844	95-2347	25,89,688	38,84,532
5	Gaya	956	4	November 2006	September 2008	November 2018	July 2020	02-08-2024	November 2018	September 2008	November 2006	10,762	1514-2077	21,524	32,286
Total		42,075	943									14,64,652		29,29,304	43,93,956

(Source: VAHAN Database of respective DTOs)

Appendix- 22
(Reference: Paragraph 5.4.1)
Non-levy of Trade Tax on Temporary Registration of vehicles

Sl. No.	Name of DTOs	No. of vehicles for which Temporary Registration was Issued	Temporary Registration Valid between	Trade Tax payable*	
1	2	3	4	5	
1	Banka	1,396	July 2020	March 2024	2,65,350
2	East Champaran	1,606	July 2020	June 2024	3,14,500
3	Gaya	1,521	July 2020	March 2024	2,99,400
4	Gopalganj	1,666	July 2020	July 2024	3,13,100
5	Patna	59,143	July 2020	November 2023	1,22,40,200
6	Sitamarhi	928	July 2020	September 2022	1,74,350
Total		66,260			1,36,06,900

(Source: VAHAN Database of respective DTOs)

*Trade tax payable calculated at the rate of ₹150 for motorcycle, ₹250 for HMV ₹200 for other vehicles

Appendix- 23
(Reference: Paragraph 5.5)
Non-levy of Additional Fee for delayed submission of transfer of ownership application

(Amount: in ₹)

Sl. No.	Name of DTOs	No. of test checked vehicles	No. of vehicles for which application for transfer of ownership was made	Date of application for transfer of ownership			Date of transfer of ownership		Delay in months	Additional fee leviable
				5	6	7	8	9		
1	2	3	4	5	6	7	8	9	10	
1	Sitamarhi	10,435	2,330	February 2019	February 2024	June 2019	March 2024	1 - 46	30,98,500	
2	East Champaran	11,920	4,534	April 2019	March 2024	May 2019	July 2024	1 - 51	76,74,050	
3	Gopalganj	10,974	1,880	December 2016	February 2024	July 2019	March 2024	1 - 62	25,12,800	
4	Patna	25,695	4,369	July 2014	February 2024	October 2019	March 2024	2 - 96	76,40,200	
Total		59,024	13,113						2,09,25,550	

(Source: VAHAN Database of respective DTOs)

Appendix- 24
(Reference: Paragraph 6.1)
Lack of monitoring in recovery of e-challans leading to increase arrears

Sl. No.	Name of DTOs	Total No. of Pending e-challans in Bihar (March 2024)	No. of Pending e-challans in test checked DTOs	E-challans issued between		Amount of fine levied through e-challans which were pending	Pending e-challans on same vehicles at two or more different occasions		Fine levied on vehicles in column 7	No. of vehicles whose fitness was renewed without realising fine of pending e-challans
				5	6		No. of vehicles	No. of e-challans		
1	2	3	4	5	6	7	8	9	10	
1	Sitamarhi	3,58,062	628	15-02-2020	30-03-2024	1,50,23,262	27	64	14,63,469	7
2	East Champaran		2,959	14-02-2020	30-03-2024	2,35,26,077	286	615	28,31,976	9
3	Gopalganj		5,536	02-04-2021	31-03-2024	8,94,12,432	325	745	1,63,95,324	51
4	Patna		4,837	03-08-2021	30-03-2024	16,87,01,491	267	579	1,91,93,808	773
5	Gaya		10,253	01-03-2020	31-03-2024	7,62,03,810	723	1613	83,42,310	15
6	Banka		1,715	21-03-2020	29-03-2024	7,08,20,258	127	279	1,44,19,020	3
	Total	3,58,062	25,928			44,36,87,330	1,755	3,895	6,26,45,907	858

(Source: E-challan Database of respective DTOs)

Appendix- 25

(Reference: Paragraph 6.1)

Lack of monitoring in recovery of e-challans leading to increase in arrears in the State (as of March 2024)

(Amount: in ₹)

Year (1)	E-challan issued by (2)	Total		E-challans disposed on the spot		E-challans pending after disposing at the spot		E-challans disposed by owners/DTOs		Balance pending e-challans		Percentage of pending e-challans (13=11/3*100)
		No. of e-challans (3)	Amount (4)	No. of e-challans (5)	Amount (6)	No. of e-challans (7)	Amount (8)	No. of e-challans (9)	Amount (10)	No. of e-challans (11)	Amount (12)	
2020-21	DTO	24,936	38,24,97,477	20,251	19,34,20,303	4,685	18,90,77,174	3,885	16,18,20,574	800	2,72,56,600	3.20
	MVI	20,022	49,69,59,739	12,406	12,71,34,647	7,616	36,98,25,092	6,442	32,09,87,586	1,174	4,88,37,506	5.90
	ESI	33,944	62,81,67,302	24,539	15,25,13,152	9,405	47,56,54,150	7,877	40,87,08,538	1,528	6,69,45,612	4.50
Total		78,902								3,502	14,30,39,718	4.4
2021-22	DTO	15,008	34,34,07,955	9,145	10,77,21,963	5,863	23,56,85,992	4,654	19,54,71,206	1,209	4,02,14,786	8.01
	MVI	20,179	54,91,22,444	10,373	10,24,09,887	9,806	44,67,12,557	7,508	34,95,87,230	2,298	9,71,25,327	11.39
	ESI	28,213	70,51,63,050	12,290	6,99,70,300	15,923	63,51,92,750	11,710	50,08,05,579	4,213	13,43,87,171	14.93
Total		63,400								7720	27,17,27,284	12.18
2022-23	DTO	24,757	51,87,31,419	10,627	12,61,60,962	14,130	39,25,70,457	9,469	29,94,05,264	4,661	9,31,65,193	18.83
	MVI	28,305	60,81,87,297	11,855	10,11,37,675	16,450	50,70,49,622	10,726	35,27,04,814	5,724	15,43,44,808	20.22
	ESI	39,708	87,51,35,438	12,380	5,95,98,847	27,328	81,55,36,591	16,261	54,25,72,353	11,067	27,29,64,238	27.87
Total		92,770								21452	52,04,74,239	23.12
2023-24	DTO	41,118	65,69,94,605	10,579	10,16,47,065	30,539	55,53,47,540	14,747	30,62,32,804	15,792	24,91,14,736	38.41
	MVI	31,783	66,87,88,898	7,378	6,02,25,586	24,405	60,85,63,312	11,734	31,56,93,383	12,671	29,28,69,929	39.87
	ESI	50,089	1,08,73,47,327	14,574	5,94,20,797	35,515	1,02,79,26,530	15,751	47,16,34,961	19,764	55,62,91,569	39.46
Total		1,22,990								48,227	1,09,82,76,234	39.21
Grand Total		3,58,062	7,52,05,02,951	1,56,397	1,26,13,61,184	2,01,665	6,25,91,41,767	1,20,764	4,22,56,24,292	80,901	2,03,35,17,475	22.59

(Source: e-challan Database of Transport Department)

Appendix- 26
(Reference: Paragraph 6.4)
Release of vehicles without clearing pending e-challans

Sl. No.	Name of DTOs	No. of e-challans	No. of vehicles involved	E-challans date between		Fine levied through e-challans	No. of disposed e-challans	Amount of disposed e-challans	Pending e-challans	Amount of pending e-challans
		3	4	5	6	7	8	9	10	
1	Sitamarhi	36	18	August 2020	July 2024	9,62,700	18	4,66,600	18	4,96,100
2	East Champaran	71	30	February 2020	July 2024	5,14,100	34	2,66,500	37	2,47,600
3	Gopalganj	125	59	March 2020	May 2024	22,63,800	61	9,42,400	64	13,21,400
4	Patna	141	64	April 2019	July 2024	72,25,024	66	35,15,212	75	37,09,812
	TOTAL	373	171			1,09,65,624	179	51,90,712	194	57,74,912

(Source: e-challan Database of respective DTOs)

Appendix- 27
(Reference: Paragraph 6.5)
Short levy and collection of Tax and penalty

Sl. No.	Name of DTOs	No. of test checked e-challans	No. of e-challans	No. of vehicles	E-challans issued between		Amount of Tax realised	Amount payable (calculated on the basis of penalty being equal to two times of Bihar Entry Tax and not less than ₹ 5,000)	Amount of tax and penalty not realised (Col 8-7)
		3	4	5	6	7	8	9	
1	Patna	7,472	142	108	April 2019	January 2021	2,66,400	10,64,900	7,98,500
2	Sitamarhi	2,894	33	31	May 2020	May 2023	1,06,500	9,83,900	8,77,400
	Total	10,366	175	139			3,72,900	20,48,800	16,75,900

(Source: e-challan Database of respective DTOs)

Appendix- 28
(Reference: Paragraph 6.7.2)
Non-levy of penalty at check-post on erring vehicle owners/ drivers for second and subsequent offences

Name of DTO	No. of test checked Challans	No. of challans	Challan issued between		Section imposed*	Penalty paid	Penalty payable	Short penalty
1	2	3	4	5	6	7	8	
Gopalganj	8,775	277	February 2020	August 2024	177,179,190-1(A), 190(3),192,196	1,06,32,500	1,89,81,000	83,48,500

(Source: e-challan Database of respective DTO)

*Penalty payable u/s 177 for first offence = ₹500, for second offence = ₹1,500
 Penalty payable u/s 179 for first offence = ₹2,000, for second offence = ₹2,000
 Penalty payable u/s 190-1(A) for first offence = ₹1,500, for second offence = ₹1,500
 Penalty payable u/s 190(3) for first offence = ₹10,000, for second offence = ₹20,000
 Penalty payable u/s 192 for first offence = ₹5,000, for second offence = ₹10,000
 Penalty payable u/s 196 for first offence = ₹2,000, for second offence = ₹4,000

**GLOSSARY OF
ABBREVIATIONS**

ABBREVIATIONS

Abbreviation	Full form
ADTC	Automated Driving Testing Centre
ATS	Automated Testing Station
BET	Bihar Entry Tax
BMVT Act/Rules	Bihar Motor Vehicle Taxation Act/Rules
BS-IV	Bharat Stage-IV
CMV Rules	Central Motor Vehicles Rules
COD	Certificate of Deposit
DLs	Driving Licenses
DTOs	District Transport Offices
GoB	Government of Bihar
HGV	Heavy Goods Vehicles
HHD	Hand held device
HMV	Heavy Motor Vehicles
JPV	Joint Physical Verification
LLs	Learners' Licenses
LMV	Light Motor Vehicles
MDTS	Motor Vehicle Driving Training School
MoRTH	Ministry of Road Transport and Highways
MV	Motor Vehicles
MVIs	Motor Vehicle Inspector
NOC	No Objection Certificate
NP	National Permit
OGRAS	Online Government Receipt Accounting System
PUCC	Pollution Under Control Certificates
RC	Registration Certificate
RSC	Road Safety Cess
RTAs	Regional Transport Authorities
RVSF	Registered Vehicle Scrapping Facility
SOP	Standard Operating Procedure
STC	State Transport Commissioner
STA	State Transport Authority
TR	Temporary Registration
VLTD	Vehicle Location Tracking Device

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