

Bill No. XXXVI of 2007

THE MOTOR VEHICLES (AMENDMENT) BILL, 2007

A

BILL

further to amend the Motor Vehicles Act, 1988.

BE it enacted by Parliament in the Fifty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Motor Vehicles (Amendment) Act, 2007.

Short title and
commence-
ment.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. In section 2 of the Motor Vehicles Act, 1988 (hereinafter referred to as the principal Act),—

Amendment
of section 2.

59 of 1988.

(i) after clause (3), the following clause shall be inserted, namely:—

‘(3A) “Carriage for persons with disability” means a motor vehicle specially designed and constructed for the use of a person suffering from some physical defect or disability, and used solely by or for such a person;’;

(ii) after clause (4), the following clause shall be inserted, namely:—

‘(4A) “common carrier” means a person engaged in the business of collecting, storing forwarding or distributing goods to be carried by goods carriages under goods receipt or transporting for hire, of goods from place to place, by motorised transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker and courier agency, but does not include the Government.

Explanation.— For the purpose of this clause, courier agency means an agency engaged in the door to door transportation of documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles;’;

(iii) for clause (8), the following clause shall be substituted, namely:—

‘(8) “dealer” includes a person who is engaged—

(a) in building bodies for attachment to chassis; or

(b) in the business of hypothecation, leasing or hire purchase of motor vehicles; or

(c) in the manufacture of motor vehicles; or

(d) in the sale of motor vehicles on the authority of a motor vehicle manufacturer’;

(iv) clause (18) shall be omitted;

(v) in clause (28), after the words “twenty-five cubic centimetres”, the words “or a battery operated vehicle equipped with motor having a thirty minutes power of less than 0.25 Kilowatt” shall be inserted;

(vi) after clause (28), the following clause shall be inserted, namely:—

‘(28A) “multi-axle vehicle” means a vehicle having more than two axles.’.

Amendment
of section 7.

3. In section 7 of the principal Act,—

(i) in sub-section (1), for the words “one year”, the words “two years” shall be substituted;

(ii) in sub-section (2), for the words “motor cycle without gear”, the words, figures and letters “motor cycle with engine capacity not exceeding 50 cubic centimetres or battery operated motor cycles equipped with a motor having a thirty minute power of less than 0.50 Kilowatt ” shall be substituted.

Amendment
of section 8.

4. In section 8 of the principal Act, in sub-section (5), the following proviso shall be inserted, namely:—

“Provided that the licensing authority may exempt the applicant from the test to drive a motor vehicle (not being a transport vehicle) if the applicant possesses a driving test certificate issued by an institution or automobile association recognised in this behalf by the State Government.”.

Amendment
of section 9.

5. In section 9 of the principal Act, in the second proviso to sub-section (3), after the words, “issued by any institution”, the words “or automobile association” shall be inserted;

Amendment
of section 10.

6. In section 10 of the principal Act,—

(i) in sub-section (1), for the words “such form”, the words “such form, including electronic form” shall be substituted;

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) A learner’s licence or, as the case may be, driving licence shall also be expressed as entitling the holder to drive a motor vehicle of one or more of the following classes, namely:—

(a) motor cycle with engine capacity not exceeding 50 cubic centimetres;

(b) motor cycle with engine capacity exceeding 50 cubic centimetres;

(c) battery operated motor cycles of a specified description;

(d) carriage for persons with disability;

(e) light motor vehicle non-transport;

(f) transport vehicle of either description such as three wheelers, light motor vehicles, medium goods or passenger motor vehicles, heavy goods vehicles, heavy passenger vehicles and such other categories of vehicles as may be prescribed;

(g) road-roller;

(h) any other motor vehicle of a specified description.”.

7. In section 15 of the principal Act,—

Amendment
of section 15.

(i) in the second proviso to sub-section (1), for the words “the age of forty years”, the words “the age of fifty years” shall be substituted;

(ii) in the second proviso to sub-section (4), for the words “five years after the driving licence has ceased”, the words “one year after the driving licence has ceased” shall be substituted.

8. In section 17 of the principal Act,—

Amendment
of section 17.

(i) in sub-section (2), after the words, “ to the prescribed authority which shall decide the appeal”, the words “as far as practicable, within a period of forty-five days from the date of filing of such appeal” shall be inserted;

(ii) in sub-section (2), the following proviso shall be inserted, namely:—

“Provided that in the event of the appeal being disposed of after the period so specified, the prescribed authority shall record in writing, the reasons for the same at the time of disposing the said appeal.”.

9. In section 21 of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely:—

Amendment
of section 21.

“(5) Where the authority authorised to check the driving licence of any driver, is satisfied after breath analyzer test or any other test as may be prescribed by the State Government that the driver is under the influence of alcohol, may suspend the driving licence on the spot for a period not exceeding three months.”.

10. In section 28 of the principal Act, in sub-section (2), clause (k) shall be renumbered as clause (m), and before clause (m) as so renumbered, the following clauses shall be inserted, namely:—

Amendment
of section 28.

"(k) construction of driving tracks, their use and the fee to be charged for use of driving tracks;

(l) issue of special licence for instructor of the driving school, the qualifications of such instructor and remuneration payable to such instructor.”.

Amendment
of section 41.

11. In section 41 of the principal Act,—

(i) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The registering authority shall within a period of thirty days issue to the owner of a motor vehicle registered by it a certificate of registration in such form, including electronic form and containing such particulars and information and in such manner as may be prescribed by the Central Government.”;

(ii) in sub-section (11), for the words “such amount not exceeding one hundred rupees”, the words “such amount which shall not be less than one hundred rupees and not more than five hundred rupees for motor cycle and not less than five hundred rupees and not more than one thousand rupees for all other motor vehicles” shall be substituted.

Insertion of
new section
49A.

New registra-
tion mark and
no objection
certificate not
required in
case of
temporary
change of
address.

12. After section 49 of the principal Act, the following section shall be inserted, namely:—

“49A. Where an owner of a motor vehicle (other than transport vehicle) on which one-time or long-term tax has been paid, ceases to reside at the address recorded in the certificate of registration of the vehicle on account of his transfer on official duty or shift of residence, the registering authority shall, where the vehicle was registered prior to such transfer or shift of residence, on application for no objection certificate under section 48, refund the pro-rata unutilised tax on the vehicle; and the registering authority where the vehicle is being shifted shall levy and collect pro-rata tax for the remaining valid period of registration of such vehicle.”.

Amendment
of section 50.

13. In section 50 of the principal Act, for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) A registering authority making any such entry shall communicate the transfer of ownership to the transferor and to the original registering authority or the last registering authority, as the case may be.”.

Amendment
of section
51.

14. In section 51 of the principal Act,—

(i) in sub-section (2), for the words “if the last registering authority is not the original registering authority”, the words “or the last registering authority, as the case may be, by registered post with acknowledgment due” shall be substituted;

(ii) in sub-section (11), after the words “ shall intimate the financier of such transaction”, the words “by registered post with acknowledgment due” shall be inserted.

Amendment
of section 52.

15. In section 52 of the principal Act, for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) Subject to the provisions made under sub-sections (1), (2), (3) and (4), any registered owner holding a vehicle under hire purchase agreement, lease or hypothecation shall not make any alteration to the vehicle except on the approval of the registering authority and with the written consent of the financier.”.

Amendment
of section 57.

16. In section 57 of the principal Act, in sub-section (2),—

(i) for the words “The appellate authority”, the words “The prescribed authority” shall be substituted;

(ii) after the words “as it thinks fit”, the words, “within a period of sixty days from the date of filing the appeal under sub-section (1) of this section” shall be inserted;

(iii) the following proviso shall be inserted, namely:—

“Provided that in the event of the appeal being disposed of after the period so specified, the prescribed authority shall record in writing, the reasons for the same at the time of disposing the said appeal.”.

- 17.** In section 58 of the principal Act, in sub-section (3), for the proviso, the following proviso shall be substituted, namely:—
- Amendment
of section 58.
- “Provided that where it appears to the Central Government that heavier weights than those specified in the notification under sub-section (1) may be permitted for vehicles of a particular type, the Central Government may, by order in the Official Gazette direct, that the provision of this section shall apply with such conditions and modifications as may be specified in the order.”.
- 18.** In section 67 of the principal Act, in sub-section (1),—
- Amendment
of section 67.
- (a) in clause (i), after the words “goods carriages”, the words “or constituting an independent regulator for fixation of such fares and freights;” shall be inserted;
- (b) in clause (iii), after the words “goods traffic”, the words “or for laying down quality of service requirements for operators;” shall be inserted;
- (c) after clause (iii), the following clause shall be inserted, namely:—
- “(iv) regarding determination of routes for plying stage carriages.”.
- 19.** In section 68 of the principal Act, in sub-section (3), clause (ca) shall be omitted.
- Amendment
of section 68.
- 20.** In section 71 of the principal Act, in sub-section (3), for clause (a), the following clause shall be substituted, namely:—
- Amendment
of section 71.
- “(a) The State Government may, having regard to the number of vehicles, road conditions and other relevant matters, by notification in the Official Gazette, direct a State Transport Authority and a Regional Transport Authority to limit the number of stage carriages generally or of any specified type, as may be fixed and specified in the notification, operating on city routes in towns.”.
- 21.** In section 74 of the principal Act, in sub-section (3), for clause (a), the following clause shall be substituted, namely:—
- Amendment
of section 74.
- “(a) The State Government may, having regard to the number of vehicles, road conditions and other relevant matters, by notification in the Official Gazette, direct a State Transport Authority and a Regional Transport Authority to limit the number of contract carriages generally or of any specified type, as may be fixed and specified in the notification, operating on city routes in towns.”.
- 22.** In section 88 of the principal Act, in sub-section (8), for the words “made under this Act by the Central Government”, the words “notified under this Act by the State Government in the Official Gazette” shall be substituted.
- Amendment
of section 88.
- 23.** In section 89 of the principal Act, in sub-section (1),—
- Amendment
of section 89.
- (i) in clause (g), after the words “give a decision thereon”, the words “within a period of forty-five days from the date of such appeal” shall be inserted;
- (ii) after clause (g), the following proviso shall be inserted, namely:—
- “Provided that in the event of the appeal being disposed of after the period so specified, the State Transport Appellate Tribunal shall record in writing, the reasons for the same at the time of disposing the said appeal.”.
- 24.** For section 93 of the principal Act, the following section shall be substituted, namely:—
- Substitution
of new
section for
section 93.
- “93. (1) No person shall engage himself—
- Agent or canvasser or common carrier to obtain registration.
- (i) as an agent or a canvasser, in the sale of tickets for travel by public service vehicles or in otherwise soliciting customers for such vehicle; or

(ii) as an agent in the business of collecting, forwarding or distributing goods carried by goods carriage; or

(iii) as a common carrier,

unless he has obtained a registration from such authority and subject to such conditions as may be prescribed by the State Government.

(2) The conditions referred to in sub-section (1) may include all or any of the following matters, namely:—

(a) the period for which a registration may be made or renewed;

(b) the fee payable for the registration or its renewal;

(c) the deposit of security—

(i) of a sum not exceeding fifty thousand rupees in the case of an agent in the business of collecting, forwarding or distributing goods carried by goods carriage,

(ii) of a sum not exceeding five thousand rupees in the case of any other agent or canvasser,

(iii) of a sum not exceeding one lakh rupees in the case of a common carrier, and the circumstances under which the security may be forfeited;

(d) the provision by the agent of insurance of goods in transit;

(e) the authority by which and the circumstances under which the registration may be suspended or cancelled;

(f) such other conditions as may be prescribed by the State Government.

(3) It shall be a condition of every registration that no agent or canvasser or a common carrier to whom the registration is permitted shall advertise in any newspaper, book, list, classified directory or other publication unless there is contained in such advertisement appearing in such newspaper, book, list, classified directory or other publication, the registration number, the date of expiry of the period of registration and the particulars of the authority which permitted the registration.”.

Amendment
of section
100.

25. In section 100 of the principal Act, in sub-section (3), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that the previous approval of the Central Government shall not be required in a scheme covered under inter-State agreement between two or more concerned States.”.

Amendment
of section
110.

26. In section 110 of the principal Act, in sub-section (1),—

(i) for clause (f), the following clause shall be substituted, namely:—

“(f) specifications of speed governors;”;

(ii) clause (o) shall be omitted;

(iii) after clause (p), the following clauses shall be inserted, namely:—

“(q) design of the bodies for goods carriage and medium or heavy passenger vehicles and the material to be used for such bodies;

(r) cabin design on a bare chassis;

(s) the conditions for the purpose of licensing and regulating the establishments for fabrication of bus or truck bodies on bare chassis;

(t) the placement of audio-visual or radio or tape recorder type of device in the transport vehicle;

(u) seating arrangements in public service vehicles and the protection of passengers against the weather; and

(v) any matter relating to construction equipment, maintenance of motor vehicles, trailers and fitness of all categories of motor vehicle.”.

27. In section 111 of the principal Act, in sub-section (2),—

Amendment
of section
111.

(i) in clause (f), the word “and” shall be omitted;

(ii) after clause (f), the following clauses shall be inserted, namely:—

“(g) installation of speed governors in transport vehicles; and

(h) installation of fog lights in motor vehicles.”.

28. In section 113 of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely:—

Amendment
of section
113.

“(5) If on the basis of documents in possession of the person in charge of the vehicle at the time of checking is established that the load carried is in excess of the prescribed ceilings, the checking authorities shall presume that the offence was committed with the knowledge of or under the orders of the consignor or the common carrier whosoever has issued the said documents and in such an event the penalty shall be on such consignor or as the case may be, the common carrier:

Provided that in case the overloaded vehicle is carrying goods of more than one consignor, responsibility shall rest with the common carrier who engaged the vehicle:

Provided further that if the vehicle with such overloaded goods is operating under the charge of the owner or the driver himself, then the responsibility shall lie with such owner or the driver, as the case may be.”.

29. In section 114 of the principal Act, in sub-section (1), for the words “he may, by order in writing, direct the driver to off-load the excess weight at his own risk and”, the words “he shall, by order in writing, direct the driver to off-load the excess weight at his own risk and cost and” shall be substituted.

Amendment
of section
114.

30. In section 130 of the principal Act,—

Amendment
of section
130.

(i) in sub-section (1), in the proviso, for the words “or other acknowledgement issued”, the words “issued in a prescribed form” shall be substituted;

(ii) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Any police officer or an officer authorised by the Motor Vehicles Department shall display his identity card and establish his identity, before seeking any such document from the driver or owner of the motor vehicle.”.

31. Chapter X of the principal Act shall be omitted.

Omission of
Chapter X.

32. In section 145 of the principal Act,—

Amendment
of section
145.

(i) for clause (a), the following clause shall be substituted, namely:—

‘(a) "authorised insurer" means an insurer for the time being carrying on general insurance business in India duly licensed by Insurance Regulatory and Development Authority constituted under section 3 of the Insurance Development Authority Act, 1999 and any Government insurance fund authorised to do general insurance business under the General Insurance Business (Nationalisation) Act, 1972;’;

(ii) in clause (c), for the word and figures “section 140”, the words, figures and letters “section 163A or as the case may be, section 163B” shall be substituted.

(iii) after clause (g), the following clause shall be inserted, namely:—

“(h) “permanent disablement” means permanent disablement of a person resulted from an accident, arising out of use of a motor vehicle or motor vehicles and if such person has suffered by reason of the accident, any injury or injuries involving—

(i) permanent privation of the sight of either eye or the hearing of either ear or privation of any member or joint; or

(ii) destruction or permanent impairing of the powers of any member or joint; or

(iii) permanent disfiguration of the head or face.’.

Amendment
of section
147.

33. In section 147 of the principal Act, in sub-section (2),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) save as provided in clause (b), the amount of liability as per section 163A or the award given by the court in terms of section 163B;”;

(ii) the proviso shall be omitted.

Amendment
of section
149.

34. In section 149 of the principal Act,—

(i) in sub-section (1), after the words "or may have avoided or cancelled the policy", the words, letters, figures and brackets "except where the policy is void on the grounds of non-disclosure or misrepresentation or because of non-receipt of premium as required under section 64VB of the Insurance Act, 1938 read with clause (b) of sub-section (2) and sub-section (4) of this section" shall be inserted;

4 of 1938.

(ii) in sub-section (2),—

(I) in clause (a), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

“(ii) a condition excluding driving by a named person or persons or by any person who is not duly licenced to drive the vehicle in terms of sub-section (1) of section 3 or by any person who has been disqualified for holding or obtaining a driving license during the period of disqualification; or”;

(II) in clause (b), after the words “in some material particular”, the words, letters and figures “or because of non-receipt of premium as required under section 64VB of the Insurance Act, 1938” shall be inserted.

(III) after clause (b), the following clause shall be inserted, namely:—

“(c) that the insurer on acceptance of the policy shall have the right to contest the claim on any relevant ground including quantum.”.

(iii) after sub-section (7), the following sub-section shall be inserted, namely:—

“(8) If on the date of filing of the petition, the claimant is not aware of the insurance company with which the vehicle had been insured, it shall be the duty of the owner of the vehicle who is a respondent to the petition to furnish to the Tribunal or court the information as to whether the vehicle had been insured on the date of the accident and if so with which company it is insured or the vehicle was not covered under any insurance on the date of accident.”.

Amendment
of section
151.

35. In section 151, after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) It shall be obligatory on the part of the owners of the transport vehicles to keep a photocopy of the driving licence of the driver employed and deliver an attested copy of the same along with an attested copy each of the registration certificate and permit to the insurers on demand.”.

Amendment
of section
157.

36. In section 157 of the principal Act, in sub-section (2), for the words “The transferee shall apply within fourteen days”, the words, “The transferee shall apply within thirty days,” shall be substituted.

37. For section 161 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 161.

“161. (1) For the purposes of this section, section 162 and section 163—

Special provisions as to compensation in cases of hit and run motor accident.

45 of 1860.

(a) "grievous hurt" shall have the meaning assigned to it in the Indian Penal Code, 1860;

(b) "hit and run motor accident" means an accident arising out of the use of a motor vehicle or motor vehicles the identity whereof cannot be ascertained inspite of reasonable efforts;

(c) "scheme" means the scheme framed under section 163;

(d) "Solatium Fund" means the Fund established under sub-section (2).

(2) The Central Government may, by notification in the Official Gazette, establish a Fund to be known as the Solatium Fund.

(3) The Solatium Fund shall be utilised for paying, in accordance with the provisions of this Act and the scheme, compensation in respect of the death of, or grievous hurt to, persons resulting from hit and run motor accidents.

(4) The Insurance Regulatory and Development Authority or any other agency specified by the Central Government shall manage the Solatium Fund.

(5) The Insurance Companies shall make such contribution to the Fund as the Central Government may, from time to time, by order specify.

(6) Subject to the provisions of this Act and the scheme, there shall be paid as compensation out of the Solatium Fund,—

(a) in respect of the death of any person resulting from a hit and run motor accident, a fixed sum of fifty thousand rupees;

(b) in respect of grievous hurt to any person resulting from a hit and run motor accident, a fixed sum of twenty-five thousand rupees.

(7) The provisions of sub-section (1) of section 166 shall apply for the purpose of making applications for compensation under this section as they apply for the purpose of making applications for compensation referred to in that sub-section.”.

38. After section 161 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 161A.

“161A. (1) The Central Government may, by notification in the Official Gazette, make a scheme specifying the authority in which the Solatium Fund shall vest, the manner in which the Fund shall be administered, the form, manner and the time within which applications may be made, the procedure to be followed by such officers or authorities for considering and passing orders on such applications, and all other matters connected with, or incidental to, the administration of the Fund and the payment of compensation therefrom.

Scheme for administration of Solatium Fund.

(2) A scheme made under sub-section (1) may provide that—

(a) a contravention of any provision thereof shall be punishable with fine which may extend to such amount as may be specified but in no case exceeding five thousand rupees;

(b) the powers, functions or duties conferred or imposed on any officer or authority by such scheme may be delegated, with the prior approval of the Central Government, by such officer or authority to any other officer or authority;

(c) any provision of such scheme may operate with retrospective effect from a date not earlier than the date of establishment of the Solatium Fund:

Provided that no such retrospective effect shall be given so as to prejudicially affect the interests of any person who may be governed by such provision.

(3) Every scheme made under this section shall be laid, as soon as may be after it is made before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the scheme or both Houses agree that the scheme should not be made, the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to validity of anything previously done under that scheme.”.

Omission of section 163.

39. Section 163 of the principle Act shall be omitted.

Substitution of new section for section 163A.

40. For section 163A of the principal Act, the following section shall be substituted, namely:—

Special provisions as to payment of compensation on structured formula basis.

“163A. (1) Notwithstanding anything contained in this Act or in any other law for time being in force or instrument having the force of law, the owner of the motor vehicle or the authorised insurer, in case a valid insurance policy subsists, as defined under section 145, shall be liable to pay in the case of death or permanent disablement due to accident arising out of the use of motor vehicle, compensation, in the manner provided in the Second Schedule to the legal heirs or the victim, as the case may be.

Explanation.— The expression “permanent disability” shall, subject to clause (h) of section 145 have the meaning assigned to such expression and the extent as in the Workmen's Compensation Act, 1923;

8 of 1923.

(2) In any claim for compensation under sub-section (1), the claimant shall not be required to plead or establish that the death or permanent disablement in respect of which the claim has been made was due to any wrongful act or neglect or default of the owner of the vehicle or vehicles concerned or of any other person.

(3) The Central Government may, keeping in view the cost of living, by notification in the Official Gazette, from time to time revise the amount or the multiplier specified in the Second Schedule.”.

Substitution of new section for section 163B.

41. For section 163B of the principal Act, the following section shall be substituted, namely:—

Compensation in cases not claimed on structured formula basis.

“163B. (1) A person not preferring to claim compensation under section 163A may claim compensation under this section from the Motor Accidents Claims Tribunal or a civil court, as the case may be.

(2) In such a case the onus for proving any wrongful act, neglect or default of the owner or driver of the motor vehicle causing the accident shall rest on the person claiming such compensation:

Provided that if a person preferring a claim under this section fails to prove such wrongful act, neglect or default of the owner or driver, his claim shall be determined as per the provisions contained in section 163A.

(3) A claim filed before the Motor Accidents Claims Tribunal or a civil court shall be heard as expeditiously as possible and an endeavour shall be made to finally dispose of the claim within a period of two years from the date of its filing:

Provided that no adjournment shall be ordinarily granted by the Motor Accidents Claims Tribunal or a civil court, as the case may be, unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by such Tribunal or court:

Provided further that the Motor Accidents Claims Tribunal or a civil court, as the case may be, shall make such orders as to the cost occasioned by the adjournment as it may consider necessary:

Provided also that in the event of a claim being disposed of after the period so specified, the Motor Accidents Claims Tribunal or a civil court, as the case may be, shall record in writing the reasons for the same at the time of disposing of the said claim.”.

42. After section 163B of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 163C.

“163C. Where a person is entitled to claim compensation under section 163A and section 163B, he shall claim the relief only under one of the said sections and the option once exercised shall be final.”.

Option to claim.

43. In section 165 of the principal Act, in sub-section (1), in *Explanation*, for the words, figures, and letter “section 140 and section 163A” the words, figures and letters “section 163A or as the case may be, section 163B” shall be substituted.

Amendment of section 165.

44. In section 166 of the principal Act,—

Amendment of section 166.

(i) in sub-section (2), the proviso shall be omitted.

(ii) after sub-section (4), the following sub-sections shall be inserted, namely:—

“(5) Notwithstanding anything contained in the Motor Vehicles Act, 1939, or any law for the time being in force, in respect of claims for compensation under the said Act which are pending at any stage, at the date of commencement of the Motor Vehicles (Amendment) Act, 2007 in a Claims Tribunal or court, the right of an injured person to claim compensation shall upon the death of injured person be available to his legal representative, irrespective of whether the cause of death was relatable to or had any nexus with the injury or not:

Provided that in case where the cause of death is not relatable to or has no nexus with the injury, the compensation shall be restricted to the period between the date of injury and the date of death of the person so injured.

(6) No application for compensation shall be entertained unless it is made within three years of the occurrence of the accident subject to the general principles provided in the Limitation Act, 1963.”.

4 of 1939.

36 of 1963.

45. In section 167 of the principal Act, the words and letter “without prejudice to the provisions of Chapter X” shall be omitted.

Amendment of section 167.

46. After section 167 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 167A.

“167A. Notwithstanding anything contained in section 166 and section 168, an insurer shall endeavour to settle the claims out of the Tribunal or a civil court under section 163A and section 163B directly with the claimant either *suo motu* or on receipt of a notice within a period of three months, by mutual consent and on receipt of the compensation by the claimant, the Tribunal or the court shall, if satisfied that a lawful compromise or agreement has been arrived at by them, dispose of the application filed by the claimant in this regard.

Compromise by insurer and claimant.

9 of 1872.

Explanation.—An agreement or compromise which is void or voidable under the Indian Contract Act, 1872 shall not be deemed to be lawful within the meaning of this section.”

- Amendment of section 168.
- 47.** In section 168 of the principal Act,—
- (i) in sub-section (1), the proviso shall be omitted;
- (ii) in sub-section (3), for the words “within thirty days”, the words “within sixty days” shall be substituted.
- Substitution of new section for section 171. Award of interest where any claim is allowed.
- 48.** For section 171 of the principal Act, the following section shall be substituted, namely:—
- “171. Where any claims Tribunal or a civil court allows a claim for compensation made under this Act, such Tribunal or the court, as the case may be, may direct that in addition to the amount of compensation, simple interest at two hundred basis points (two per cent.) above the ‘Bank Rate’ (prevailing on the date of award as notified by the Reserve Bank of India) shall also be paid from such date not earlier than the date of making the claim as it may specify in this behalf.”.
- Insertion of new section 171A. Interim payment in case of claim for compensation.
- 49.** After section 171 of the principal Act, the following section shall be inserted, namely:—
- “171A. Notwithstanding anything contained in this Chapter, the Claims Tribunal may award an interim compensation to the victim in respect of death or permanent disability or severe bodily injury or to the claimants against the claim, within three months from the date of filing the application with full particulars provided that such interim compensation shall not exceed:—
- (a) one lakh rupees in case of death or permanent total disablement;
- (b) fifty thousand rupees in case of permanent partial disablement resulting from loss of a limb or sight of either eye or giveous hurt leading to such disablement.”.
- Substitution of new section for section 177. General provision for punishment of offences.
- 50.** For section 177 of the principal Act, the following section shall be substituted, namely:—
- “177. Whoever contravenes any provision of this Act or of any rule, regulation or notification made thereunder shall, if no penalty is provided for the offence, be punishable –
- (a) for the first offence with a fine of five hundred rupees; and
- (b) in the event of any second or subsequent offence with fine of not less than one thousand rupees but which may extend to one thousand five hundred rupees.” .
- Amendment of section 180.
- 51.** In section 180 of the principal Act, for the words “or with fine which may extend to one thousand rupees, or with both”, the words “or with fine of not less than one thousand rupees but which may extend to two thousand rupees, or with both” shall be substituted.
- Amendment of section 181.
- 52.** In section 181 of the principal Act, for the words “or with fine which may extend to five hundred rupees, or with both”, the words “or with fine of not less than five hundred rupees but which may extend to two thousand rupees, or with both” shall be substituted.
- Amendment of section 183.
- 53.** In section 183 of the principal Act, for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—
- (1) Whoever drives a motor vehicle in contravention of the speed limits referred to in section 112 shall be punishable with a fine of five hundred rupees, or, if having been previously convicted of an offence under this sub-section is again convicted of an offence under this sub-section, with fine of not less than two thousand rupees but which may extend to five thousand rupees.
- (2) Whoever causes any person who is employed by him or is subject to his control to drive a motor vehicle in contravention of the speed limits referred to in section 112 shall be punishable with a fine of five hundred rupees, or, if having been previously convicted of an offence under this sub-section, is again convicted of an offence under this sub-section, with fine of not less than one thousand five hundred rupees but which may extend to three thousand rupees.”.

54. In section 184 of the principal Act,—	Amendment of section 184.
(a) for the words “with fine which may extend to one thousand rupees”, the words, “a fine of one thousand rupees” shall be substituted;	
(b) for the words, “or with fine which may extend to two thousand rupees, or with both”, the words “or with fine of two thousand rupees which may extend to five thousand rupees or with both” shall be substituted.	
55. In section 185 of the principal Act,—	Amendment of section 185.
(a) for the words, “or with fine which may extend to two thousand rupees”, the words “or with a fine of two thousand rupees” shall be substituted;	
(b) for the words, “or with fine which may extend to three thousand rupees,” the words “or with fine of three thousand rupees” shall be substituted.	
56. In section 186 of the principal Act, for the words “with five which may extend to two hundred rupees and for a second or subsequent offence with fine which may extend to five hundred rupees”, the words, “with a fine of five hundred rupees and for a second or subsequent offence with fine of one thousand rupees” shall be substituted.	Amendment of section 186.
57. In section 187 of the principal Act, the words, brackets, letter and figures “of clause (c) of sub-section (I) of section 132 or” shall be omitted.	Amendment of section 187.
58. After section 187 of the principal Act, the following section shall be inserted, namely:—	Insertion of new section 187A.
187A. (1) Without prejudice to the provisions contained in the Indian Penal Code, 1860 whoever drives a motor vehicle in rash or negligent manner and causes injury to a person or damages any property, shall be liable to penalty which may extend to five thousand rupees.	Liability of a person while driving a motor vehicle in certain cases.
(2) The penalty realised under sub-section (1) shall be credited to the Solutium Fund established under section 161A in such manner as may be prescribed.”.	
59. In section 192 of the principal Act, for sub-section (I), the following sub-section shall be substituted, namely:—	Amendment of section 192.
“(1) Whoever drives a motor vehicle or causes or allows a motor vehicle to be used in contravention of the provisions of section 39 shall be punishable for the first offence with a fine of four thousand rupees which may extend to ten thousand rupees and for a second or subsequent offence with imprisonment which may extend to one year or with fine of ten thousand rupees which may extend to twenty thousand rupees or with both:	
Provided that the court may, for reasons to be recorded, impose a lesser punishment.”.	
60. In section 192A of the principal Act, for sub-section (I), the following sub-section shall be substituted, namely:—	Amendment of section 192A.
“(1) Whoever drives a motor vehicle or causes or allows a motor vehicle to be used in contravention of the provisions of sub-section (I) of section 66 or section 79 or section 84 shall be punishable for the first offence with a fine of four thousand rupees which may extend to ten thousand rupees and for any subsequent offence with imprisonment which may extend to one year but shall not be less than three months or with fine of ten thousand rupees which may extend to twenty thousand rupees or with both:	
Provided that the court may, for reasons to be recorded, impose a lesser punishment.”.	

Substitution of new section for section 198. Unauthorised interference with vehicle.

61. For section 198 of the principal Act, the following section shall be substituted, namely:—

“198. Whoever, otherwise than with lawful authority or reasonable excuse enters or moves any stationary motor vehicle or tampers with the brake or any part of the mechanism of a motor vehicle shall be punishable with fine of five hundred rupees which may extend to one thousand rupees and in case such tampering involves emission control device fitted by the manufacturer, shall be punishable with fine of one thousand rupees which may extend to two thousand five hundred rupees.”.

Amendment of section 200.

62. In section 200 of the principal Act, in sub-section (1), for the word and figures “section 194”, the word, figures and letter “section 192A” shall be substituted.

Insertion of new section 213A.

63. After section 213 of the principal Act, the following section shall be inserted, namely:—

“213A. (1) The State Government may, by notification in the Official Gazette, notify such experts in the field of road transport, as it thinks fit for the purpose of carrying out audit of the authorised testing stations set up under sub-section (2) of section 56.

(2) The State Government may make rules to regulate the qualifications, powers and functions of experts notified under sub-section (1).”.

Notification of inspection auditors by State Governments.

Insertion of new section 217B.

64. After section 217A of the principal Act, the following section shall be inserted, namely:—

“217B. Notwithstanding anything contained in the Motor Vehicles Act, 1939 or any law for the time being in force, in respect of claims for compensation under the said Act which are pending at any stage, at the date of commencement of the Motor Vehicles (Amendment) Act, 2007 in any Claims Tribunal or court, the right of an injured person to claim compensation shall upon his death be available to his legal representative, irrespective of whether the cause of death was relatable to or had any nexus with the injury or not:

Provided that in cases where the cause of death is not relatable or has no nexus with the injury, the compensation shall be restricted to the period between the date of injury and the date of death of the person so injured.”.

Right to claim compensation in certain cases.

4 of 1939.

Substitution of new Schedule for Second Schedule.

65. For the Second Schedule of the principal Act, the following Schedule shall be substituted, namely:—

“THE SECOND SCHEDULE

(see section 163A)

The multiplier applicable for different age groups:—

Age Group (in years)	Multiplier
(1)	(2)
Above 15 years but not exceeding 16	15
Above 16 years but not exceeding 20	16
Above 20 years but not exceeding 25	17
Above 25 years but not exceeding 30	18
Above 30 years but not exceeding 35	17
Above 35 years but not exceeding 40	16
Above 40 years but not exceeding 45	15
Above 45 years but not exceeding 50	13
Above 50 years but not exceeding 55	11
Above 55 years but not exceeding 60	8
Above 60 years	5

Notes:—

1. For death of non-earning persons, a fixed compensation shall be payable:—
 - (a) Rs. 1,00,000 for children up to 5 years of age.
 - (b) Rs. 1,50,000 for persons more than 5 years of age.
2. Minimum amount payable is Rs. 1,00,000.
3. Factors to be considered for working out compensation:—
 - (a) Age of the victim.
 - (b) Multiplier.
 - (c) Annual income up to Rs. 1,00,000 (the maximum annual income for calculation of compensation will be deemed to be Rs. 1,00,000 even if the income exceeds Rs. 1,00,000).
4. Steps for working out compensation:—
 - (a) The proven annual income of the victim is to be worked out.
 - (b) Appropriate multiplier (higher of the multiplier based on the age of the victim and the age of the surviving/dependent parents/spouse/children) to be applied.
 - (c) Multiply the proven annual income by the appropriate multiplier to arrive at compensation amount, subject to following, namely:—
 - (i) The amount of compensation payable for Permanent Total Disablement as defined in Schedule I of the Workmen's Compensation Act, 1923 (8 of 1923) shall be determined by application of appropriate multiplier to proved income, subject to maximum of Rs. 10 lakhs.
 - (ii) The amount of compensation so arrived shall be reduced by 1/3rd in respect of fatal accidents (reduction of 1/3rd represents living expenses for deceased person, had he been alive).
5. Compensation in case of injury to non-earning persons in non-fatal accidents:—

(a) Grievous Injury	Not exceeding Rs. 50,000
(b) Non-Grievous Injury	Not exceeding Rs. 20,000
6. Disability in non-fatal accidents in cases other than non-earning persons:—

The following compensation shall be payable in case of disability to the victim arising out of non-fatal accident:—

 - A. Loss of income, if any, for actual period of disablement not exceeding fifty-two weeks PLUS either of the following subject to maximum of Rs. 10.00 lakhs.
 - (i) In case of permanent total disablement the amount payable shall be arrived at by multiplying the annual loss of income by the appropriate Multiplier applicable to the age of the victim on the date of determining the compensation.
 - (ii) In case of Permanent Partial disablement, the amount of compensation payable shall be arrived at by multiplying the compensation payable in case of permanent total disablement as specified under item (i) above by the percentage of loss of earning capacity caused by that injury.
 - B. For injuries deemed to result in permanent total disablement / permanent partial disablement as per section 145 (h), the percentage of loss of earning capacity shall be as per Schedule I of the Workmen's Compensation Act, 1923.

7. General damages in case of death:—

- | | |
|--|--------------------------|
| (i) Pain and suffering | Up to Rs. 5,000 |
| (ii) Loss of consortium, if beneficiary is the spouse | Up to Rs. 10,000 |
| (iii) Loss of estate | Up to Rs. 5,000 |
| (iv) Medical expenses – incurred before the death
duly supported by bills/vouchers. | Not exceeding Rs. 50,000 |

8. General damages in case of disability in non fatal accidents:—

- | | |
|---|-------------------------------|
| (i) Pain and suffering – non grievous injury | Up to Rs. 5,000 |
| (ii) Pain and suffering – grievous injury | Up to Rs. 20,000 |
| (iii) Medical expenses – incurred before the death
duly supported by bills/vouchers. | Not exceeding
Rs. 50,000". |

STATEMENT OF OBJECTS AND REASONS

The Motor Vehicles Act, 1988, a principal instrument for regulating motor vehicles, has so far been amended thrice, *i.e.*, in the years 1994, 2000 and 2001, to adapt it to the technological upgradation emerging in road transport, passenger and freight movement and in motor vehicle management.

2. The process of amending the Motor Vehicles Act, 1988 was initiated in response to the suggestions and requests received from stake holders like State Governments, various transport associations, Non Governmental Organizations and citizens, for effecting changes in the Act.

3. The Bill, *inter alia*, seeks to achieve the following, namely:—

(i) to enhance penalties, wherever considered necessary, for violation of provisions of the Motor Vehicles Act, 1988 with a view to ensure road safety and discipline;

(ii) to provide for civil penalty in addition to the existing criminal liability. The amount realised by way of civil penalty shall be credited to the Solatium Fund which is to be used for the accident victims;

(iii) to confer more powers to States and Union territories;

(iv) to make regional transport authorities more responsive in discharge of their duties and responsibilities;

(v) to remove anomalies and rationalize provisions for emerging new needs and requirements;

(vi) to provide for a rationale and streamlining of provisions dealing with payment of appropriate compensation to road accident victims; and

(vii) to provide for settling of the claims directly by the insurer with a view to reduce the hardships of the accident victims and accelerate disposal of cases relating to compensation claims.

4. The Bill seeks to achieve the above-said objectives.

NEW DELHI;

T. R. BAALU.

The 4th May, 2007.

Notes on Clauses

Clause 1 seeks to provide for 'short title and commencement' of the proposed legislation.

Clause 2 seeks to provide for definitions of certain terms and expressions like "Carriage for Persons with Disability", "common carrier", "dealer" and "multi-axle vehicle".

Clause 3 seeks to amend section 7 (1) and 7 (2) of the Motor Vehicles Act (hereinafter referred to as the Act), to provide for the enhancement of period from one year to two years after which a holder of driving licence of Light Motor Vehicle may be eligible to get a learner's licence for transport vehicle. In sub-section (2) of section 7, it has been proposed to replace "Motor Cycle without gear" with "Motor Cycle with Engine Capacity not exceeding 50 CC or Battery-operated Motor Cycle", etc., so as to make provision in line with the definitions proposed to be inserted by this Bill.

Clause 4 seeks to insert sub-section (5) in section 8 in the Act to include institutions/ associations recognised by the State Government to test an applicant and issue driving test certificate for issuing learners' licence for driving non-transport vehicles by the licensing authority.

Clause 5 seeks to include Automobile Associations in sub-section (3) of section 9 of the Act so as to enable it to issue an applicant a driving certificate after assessing his competence to drive in respect of non-transport vehicle before he is granted driving licence by licensing authority.

Clause 6 seeks to amend section 10 so as to provide issuance of driving licence in electronic form and provides for categories of the vehicles which a holder of driving licence is entitled to drive on the driving licence itself.

Clause 7 seeks to amend sub-section (1) of section 15 of the Act to increase the validity period of the driving licence in consonance with section 14 of the Act and it also seeks to reduce the time from five years to one year for submitting application for renewal of driving licence.

Clause 8 seeks to amend section 17 (2) of the Act requiring the transport authorities to decide the appeal within 45 days in case of refusal or revocation of driving licence. In case the appeal is not decided within 45 days, the transport authority shall record, in writing, the reasons for the same at the time of disposal of the appeal.

Clause 9 seeks to insert sub-section (5) in section 21 of the Act which empowers the authority to suspend the driving licence on the spot for a period not exceeding three months if the authority is satisfied after breath analyzer test or any other test that the driver is under the influence of alcohol.

Clause 10 seeks to insert clauses (k) and (L) in sub-section (2) of section 28 of the Act empowering the State Government to make rules for construction of driving tracks, their use and the fee to be charged for their use as well as for issue of special licence to instructor of the driving school, their qualification, and remuneration, etc.

Clause 11 seeks to substitute sub-section (3) of section 41 of the Act so as to provide for a time limit of thirty days to issue certificate of registration in such form including electronic form and in such manner as the State Government may prescribe. It also provides for enhancement of the penalties for failing to apply for registration of Motor cycle or any other motor vehicles.

Clause 12 proposes to insert section 49A in the Act to provide for pro rata refund of the unutilized one-time tax on non-transport vehicle on its transfer to another State. The

registering authority receiving the vehicle on transfer can levy and collect pro rata tax for the remaining registration period of such vehicle.

Clause 13 seeks to substitute sub-section (7) in section 50 of the Act to provide that a registering authority shall communicate the transfer of ownership to the transferor, and to the original registering authority or to the last registering authority, as the case may be.

Clause 14 seeks to amend sub-section (2) and (11) in section 51 of the Act to provide for intimation to last registering authority with acknowledgement due and also making of an entry in the registration certificate of motor vehicle under hire purchase agreement and also for intimating the financier of such agreement by registered post with acknowledgement due.

Clause 15 seeks to substitute sub-section (5) in section 52 of the Act to limit the right of altering a vehicle by the owner except with the approval of the registering authority and with the written consent of the financier if the vehicle is held under lease or hypothecation.

Clause 16 seeks to amend sub-section (2) in section 57 of the Act to provided for appeal against the order of original authority to be decided by the prescribed authority within a period of sixty days from the date of filing of the appeal and in case the appeal is not disposed of by the prescribed authority within the period so specified he shall record, in writing the reasons for not disposing of the appeal.

Clause 17 seeks to amend sub-section (3) of section 58 of the Act to empower the Central Government to permit plying of vehicles with gross vehicle weight in excess of those specified in the rules for such vehicles subject to conditions and modifications as may be specified by the Central Government.

Clause 18 seeks to amend sub-section (1) of section 67 of the Act to enable the State Governments to constitute an independent regulator to fix fare and freights for stage carriages, contract carriages and goods carriages and to lay down quality of service requirements for operators, and to issue directions regarding determination of routes for plying stage carriages.

Clause 19 seeks to omit sub-section (3) (ca) of section 68 of the Act as a provision for 'determining rules for plying stage carriages' has been included in clause 18 of the Bill.

Clause 20 seeks to substitute sub-section 3(a) in section 71 of the Act to empower the State Government to direct a State or Regional Transport Authority to limit the number of stage carriage operating on city routes in towns.

Clause 21 seeks to substitute sub-section (3)(a) in section 74 of the Act to empower the State Governments to direct a State or Regional Transport Authority to limit the number of contract carriages operating on city routes in town, having regard to number of vehicles, road conditions, etc.

Clause 22 seeks to amend sub-section (8) in section 88 of the Act to empower the State Government to frame rules relating to special permits for public vehicles to ply outside the State.

Clause 23 seeks to amend sub-section (1) (g) in section 89 of the Act so as to provide that the State Transport Appellate Authority shall decide the appeals for grant of permit within 45 days from the date of such appeal. It also provides that if the appeal is not disposed of in the specified period, the State Transport Appellate Tribunal shall record, in writing, the reasons for the same while disposing of the appeal.

Clause 24 seeks to substitute section 93 in the Act to provide for requirement of a Registration Certificate before any person engages himself as an agent, canvasser or Common Carrier, etc., and imposes certain conditions on him.

Clause 25 seeks to insert a proviso to sub-section (3) in section 100 of the Act which dispenses with the requirement of prior approval of the Central Government in case of scheme covered under Inter-State Agreement between two or more States.

Clause 26 seeks to empower the Central Government by amending sub-section (1) in section 110 of the Act to make rules for design of the bodies for goods carriage and medium or heavy passenger vehicles and material to be used for such bodies, cabine design on a bare chassis, the conditions for the purpose of licensing and regulating the establishments for fabrication of bus or truck bodies on bare chassis, placement of audio-visual device in transport vehicles, seating arrangement in public service vehicles and the protection of passsenger against the weather and any other matter relating to construction equipment, maintenance of motor vehicle and trailer, and fitness of all categories of motor vehicle.

Clause 27 seeks to amend sub-section (2) in section 111 of the Act to authorize State Governments to make rules regarding installation of speed governors in transport vehicles and fog lights in motor vehicles.

Clause 28 seeks to insert sub-section (5) in section 113 of the Act to make 'consignor' and 'common carrier' responsible for overloading of motor vehicle.

Clause 29 seeks to amend sub-section (1) in section 114 of the Act which empowers the authorized functionary to direct the driver of vehicle to offload the excess weight at his own risk and cost.

Clause 30 seeks to amend sub-section (1) in section 130 of the Act and insert sub-section (5) thereto, in the Act to prescribe the format of the receipt to be given to the person concerned for seizing the driving licence by any officer or authority. It also provides that the authorized officer or authority shall be required to display identity card before seizing a document from the driver or the owner of the motor vehicle.

Clause 31 seeks to omit Chapter X containing sections 140 to 144 in the Act relating to "liability without fault in certain cases" in view of the changes proposed in the Bill for payment of compensation.

Clause 32 seeks to substitute section 145 (a) of the Act to include Insurance Regulatory and Development Authority in the definition of 'authorized insurer' for the purpose of authorizing an entity for carrying out general insurance buiness in India. The definition of 'liability' under section 145 (c) of the Act is also being modified to reflect the changes made in subsequent sections, *i.e.*, section 163A and 163B. In addition, the definition of 'permanent disablement' has been proposed to be included in the section 145 (h) of the Act.

Clause 33 seeks to substitute sub-section (2) in section 147 of the Act to provide for liability of Insurance Company in terms of section 163A, or for the court's award in terms of section 163B.

Clause 34 seeks to modify section 149 of the Act relating to a policy becoming void on the grounds of non-disclosure or misrepresentation or non-receipt of premium as required under section 64 VB of the Insurance Act, 1938. It also provides to relieve the insurer from the liability in case the vehicle is driven by a person not having an appropriate driving licence or in case of non-receipt of premium. Proposed sub-section (2) (c) provides that the insurer may contest the claim on any relevant ground including the quantum and sub-section (8) imposes duty on the owner of the motor vehicle involved in accident to disclose full facts to Motor Accident Claims Tribunal or civil court.

Clause 35 seeks to insert sub-section (5) in section 151 of the Act, casting obligations on owners of the transport vehicle to keep a photocopy of driving licence of the driver employed and deliver an attested copy of the same along with an attested copy each of the registration certification and permit to the insurers on demand.

Clause 36 seeks to amend sub-section (2) in section 157 of the Act to increase the time period from 14 days to 30 days for applying for transfer of certificate of insurance in the event of transfer of ownership of motor vehicle.

Clause 37 intends to substitute section 161 of the Act and provides definition of certain expressions, namely, 'grievous hurt', 'hit-and-run motor accident', 'scheme' and 'solatium fund'. The solatium fund shall be established by the Central Government and used for payment of compensation for hit-and-run motor accident and the Fund shall be managed by the IRDA or any other agency specified the Central Government. Insurance Companies shall make such contribution to the Fund as may be specified by order by the Central Government, from time to time. Further, the amount of compensation is also proposed to be increased from Rs. 25,000/- to Rs. 50,000/- in case to Rs. 50,000/- in case of death of a person from hit-and-run accident, and in case of grievous hurt, the amount of compensation is proposed to be increased from Rs. 12,500/- to Rs. 25,000/-.

Clause 38 proposes to insert section 161A in the Act, empowering the Central Government to frame scheme for Solatium Fund for giving compensation to the accident victims of hit and run cases. It also provides that while making such scheme, the penalties may be provided for its violation subject to limit provided therein. It also makes provision for laying of such scheme before each House of Parliament.

Clause 39 seeks to omit section 163 of the Act regarding scheme for payment of compensation due to amendments proposed in section 161 and insertion of new section 161A.

Clause 40 seeks to substitute section 163A of the Act providing for structured compensation formula on 'no fault principle' basis and empowering the Central Government to revise the amount specified in the Second Schedule, in view of change in prevalent cost of living.

Clause 41 seeks to substitute section 163B of the Act to provide for compensation in cases where claimant has not opted for structured compensation formula under section 163 A and desires to file the claim before the MACT or civil court. It also provides that the Motor Accident Claim Tribunal (MACT) or civil court shall endeavour to dispose of a case within two years from the date of its filing.

Clause 42 proposes to insert section 163C to restrict a person to claim compensation either under section 163A or under section 163B and option once exercised shall be final subject to the statutory protection provided to him as regards the compensation.

Clause 43 seeks to substitute the reference of certain sections in line with the amendments proposed under the Bill.

Clause 44 seeks to omit the proviso to sub-section (2) of section 166, relating to application for compensation. Further, sub-sections (5) and (6) are proposed to be inserted in section 166, making enabling provisions for pending compensation cases filed under Motor Vehicles Act, 1939 and a time limit of 3 years is being prescribed for filling application from the occurrence of an accident subject to general principles provided in the Limitations Act, 1963.

Clause 45 seeks to omit reference to Chapter X in section 167 consequent upon omission of Chapter X.

Clause 46 propose to insert section 167A in the Act, to enable the insurer to make an endeavour to settle the claims out of a Tribunal or civil court directly with the claimant by mutual consent.

Clause 47 seeks to omit the proviso to sub-section (1) of section 168 of the Act as it has become redundant due to proposed omission of Chapter X. Further, in sub-section (3) of section 168 of the Act, the time limit of depositing the amount of award as per the direction of Claims Tribunal has been increased from thirty days to sixty days.

Clause 48 seeks to substitute section 171 of the Act providing for interest to be linked to 200 basis points above the bank rate as notified by the Reserve Bank of India to introduce certainty and uniformity regarding the interest on amount payable as compensation.

Clause 49 proposes to insert a section 171A to provide for interim compensation to the victim within three months from the date of filing of an application, which shall not exceed Rs. 1,00,000/- in case of death or permanent total disablement, and Rs. 50,000/- in case of permanent partial disablement, resulting from loss of a limb or sight of either eye or grievous hurt leading to such disablement.

Clause 50 seeks to substitute section 177 of the Act relating to general provision for punishment of offences if no penalty is provided for the offence in the Act and to enhance the quantum of penalties for contravening any provision of the Act or any rule, regulation or notification made thereunder with the penalty of Rs. 500/- for first offence and of minimum of Rs. 1000/- for second or subsequent offence, subject to a maximum of Rs. 1500/-.

Clause 51 seeks to enhance penalties provided in section 180 of the Act relating to "allowing unauthorized person to drive vehicles" with a minimum fine of Rs. 1000/- subject to maximum of Rs. 2000/-.

Clause 52 seeks to enhance penalties provided in section 181 of the Act pertaining to "driving vehicles in violation of section 3 or section 4 of the Act" with a minimum fine of Rs. 500/- and maximum of Rs. 2000/-.

Clause 53 seeks to enhance penalties provided in sub-section (1) in section 183 of the Act relating to "driving at excessive speed, etc.", with a minimum fine of Rs. 500/- for first offence, and of Rs. 2000/- subject to maximum of Rs. 5,000/- for subsequent offence(s). Further, it proposes to enhance penalties under sub-section (2) of section 183 of the Act causing his employee to drive at excessive speed" with a minimum fine of Rs. 500/- for first offence, and a minimum fine of Rs. 1500/- subject to maximum of Rs. 3000/- for subsequent offence(s)."

Clause 54 seeks to enhance penalties provided in section 184 of the Act relating to "driving dangerously" with a fine of Rs. 1000/- for first offence and a minimum fine of Rs. 2000/-, subject to maximum of Rs. 5000/- for the subsequent offence(s).

Clause 55 seeks to enhance penalties provided in section 185 of the Act relating to "driving by a drunken person or a person under the influence of drugs" with a minimum fine of Rs. 2000/- for the first offence and of Rs. 3000/- for subsequent offence(s).

Clause 56 seeks to enhance penalties provided in section 186 of the Act relating to "driving when mentally or physically unfit to drive" with a fine of Rs. 500/- for first offence, and Rs. 1000/- for second or subsequent offence.

Clause 57 seeks to omit the reference of sub-section (1) (c) of section 132 occurring in section 187 of the Act, in line with the amendments proposed in the Bill.

Clause 58 proposes to insert section 187A in the Act to introduce civil liability of a driver by providing penalty up to Rs. 5000/- if one drives a motor vehicle in rash or negligent manner, causing injury to a person or damages to any property. The amount so realized shall be credited to the Solatium Fund established under section 161A in such manner as may be prescribed.

Clause 59 seeks to substitute sub-section (1) of section 192 of the Act relating to "using vehicle without registration" so as to enhance penalties to Rs. 4000/- with a maximum of Rs. 10,000/- for the first offence and for subsequent offence(s) to a minimum of Rs. 10,000/- and maximum of Rs. 20,000/-.

Clause 60 seeks to substitute sub-section (1) in section 192A of the the Act relating to "using vehicles without permit" so as to enhance penalties to Rs. 4000/- with maximum of Rs. 10,000/- for first offence and for subsequent offence to minimum of Rs. 10,000/- and maximum of Rs. 20,000/-.

Clause 61 seeks to substitute section 198 of the Act relating to "unauthorized interference with vehicle" so as to enhance penalties to Rs. 500/- with a maximum of

Rs. 1000/- in case of tampering with brake or any other part of the mechanism of the motor vehicle, and to a minimum of Rs. 1000/- with a maximum of Rs. 2,500/- in case of tampering with emission control device fitted by the manufacturers.

Clause 62 seeks to amend section 200 of the Act which relates to "composition of certain offences" section 194 relating to penalty for overloading is being deleted from this section, and section 192A relating to use of vehicle without permit is being inserted in this section.

Clause 63 proposes to insert section 213A in the Act empowering the State Governments to appoint officers for auditing the 'authorized testing stations' set up under sub-section (2) in section 56 of the Act which provides for regulation and control of such stations or garages, and to make rules to regulate qualifications, powers and functions of the officers notified for such auditing.

Clause 64 proposes to insert section 217B in the Act so as to provide that in respect of pending claims, the right of a person injured in road accident upon his death, be available to the legal representative.

Clause 65 seeks to substitute Second Schedule to the Act under section 163A of the Act providing for revised structured compensation formula to decide the amount of compensation to be given to the road accident victims.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the State Governments to make rules for construction of driving tracks, their use and the fee to be charged for their use as well as for issue of special licence to instructor of the driving school, their qualification, and remuneration, etc.

Clause 11 of the Bill empowers the Central Government to make rules for issuance of registration certificate in such form including the electronic form.

Clause 18 of the Bill empowers State Governments to constitute an independent regulator to fix fare and freights for stage carriages, contract carriages and goods carriages, to lay down quality of service requirements for operators and also to issue directions regarding determination of routes for plying stage carriages.

Clause 22 of the Bill empowers State Governments for framing of rules for special permits for public vehicles to ply outside the State without counter signature.

Clause 25 of the Bill delegates powers to State Governments to notify the scheme covered under Inter-State Agreement between two or more States.

Clause 26 of the Bill empowers the Central Government to make rules for design of the bodies for goods carriage and medium or heavy passenger vehicles and material to be used for such bodies, cabin design on a bare chassis, the conditions for the purpose of licensing and regulating the establishments for fabrication of bus or truck bodies on bare chassis, placement of audio-visual device in transport vehicles, seating arrangement in public service vehicles and the protection of passenger against the weather and any other matter relating to construction equipment, maintenance of motor vehicle and trailer, and fitness of all categories of motor vehicle.

Clause 27 of the Bill empowers State Governments to make rules regarding installation of speed governors in transport vehicles and fog lights in motor vehicles.

Clause 37 and 38 of the Bill provide for establishment, vesting and management of the Solatium Fund by the Central Government.

2. The matters in respect of which rules may be made under the aforesaid provision are matters of procedure and administrative detail and it is not practical to provide for them in the Bill. The rules made under the Bill are also required to be laid before Parliament and State Legislature. The delegation of legislative power is , therefore, of a normal character.

ANNEXURE
EXTRACTS FROM THE MOTOR VEHICLES ACT, 1988
(59 OF 1988)

*	*	*	*	*
2.	In this Act, unless the context otherwise requires,—			Definitions.
*	*	*	*	*
	(8) "dealer" includes a person who is engaged—			
	(b) in building bodies for attachment to chassis; or			
	(c) in the repair of motor vehicles; or			
	(d) in the business of hypothecation, leasing or hire-purchase of motor vehicle;			
*	*	*	*	*
	(18) "invalid carriage" means a motor vehicle specially designed and constructed, and not merely adapted, for the use of a person suffering from some physical defect or disability, and used solely by or for such a person;			
7.	(1) No person shall be granted a learner's licence to drive a transport vehicle unless he has held a driving licence to drive a light motor vehicle for at least one year.			Restrictions on the granting of learner's licences for certain vehicles.
	(2) No person under the age of eighteen years shall be granted a learner's licence to drive a motor cycle without gear except with the consent in writing of the person having the care of the person desiring the learner's licence.			
8.	(1)	*	*	*
	(5) No learner's licence shall be issued to any applicant unless he passes to the satisfaction of the licensing authority such test as may be prescribed by the Central Government.			Grant of learner's licence.
*	*	*	*	*
9.	(1)	*	*	*
	(3) If the applicant passes such test as may be prescribed by the Central Government, he shall be issued the driving licence:			Grant of driving's licence.
	Provided that no such test shall be necessary where the applicant produces proof to show that—			
	(a) (i) the applicant has previously held a driving licence to drive such class of vehicle and that the period between the date of expiry of that licence and the date of the application does not exceed five years, or			
	(ii) the applicant holds or has previously held a driving licence to drive such class of vehicle issued under section 18, or			
	(iii) the applicant holds a driving licence to drive such class of vehicle issued by a competent authority of any country outside India, subject to the condition that the applicant complies with the provisions of sub-section (3) of section 8,			
	(b) the applicant is not suffering from any disability which is likely to cause the driving by him to be a source of danger to the public; and the licensing authority may, for that purpose, require the applicant to produce a medical certificate in the same form and in the same manner as is referred to in sub-section (3) of section 8:			
	Provided further that where the application is for a driving licence to drive a motor vehicle (not being a transport vehicle), the licensing authority may exempt the applicant from the test of competence to drive a vehicle prescribed under this sub-			

section, if the applicant possesses a driving certificate issued by any institution recognised in this behalf by the State Government.

* * * * *

Form and contents of licences to drive.

10. (1) Every learner's licence and driving licence, except a driving licence issued under section 18, shall be in such form and shall contain such information as may be prescribed by the Central Government.

(2) A learner's licence or, as the case may be, driving licence shall also be expressed as entitling the holder to drive a motor vehicle of one or more of the following classes, namely:—

- (a) motor cycle without gear;
- (b) motor cycle with gear;
- (c) invalid carriage;
- (d) light motor vehicle;
- (e) transport vehicle;
- (i) road-roller;
- (j) motor vehicle of a specified description.

* * * * *

Renewal of driving licences.

15. (1) Any licensing authority may, on application made to it, renew a driving licence issued under the provisions of this Act with effect from the date of its expiry:

Provided that in any case where the application for the renewal of a licence is made more than thirty days after the date of its expiry, the driving licence shall be renewed with effect from the date of its renewal:

Provided further that where the application is for the renewal of a licence to drive a transport vehicle or where in any other case the applicant has attained the age of forty years, the same shall be accompanied by a medical certificate in the same form and in the same manner as is referred to in sub-section (3) of section 8, and the provisions of sub-section (4) of section 8 shall, so far as may be, apply in relation to every such case as they apply in relation to a learner's licence.

* * * * *

(4) Where an application for the renewal of a driving licence is made more than thirty days after the date of its expiry the fee payable for such renewal shall be such amount as may be prescribed by the Central Government:

Provided that the fee referred to in sub-section (3) may be accepted by the licensing authority in respect of an application for the renewal of a driving licence made under this sub-section if it is satisfied that the applicant was prevented by good and sufficient cause from applying within the time specified in such-section (3):

Provided further that if the application is made more than five years after the driving licence has ceased to be effective the licensing authority may refuse to renew the driving licence unless the applicant, undergoes and passes to its satisfaction the test of competence to drive referred to in sub-section (3) of section 9.

* * * * *

Orders refusing or revoking driving licences and appeals therefrom.

17. (1) Where a licensing authority refuses to issue any learner's licence or to issue or renew, or revokes any driving licence, or refuses to add a class or description of motor vehicle to any driving licence, it shall do so by an order communicated to the applicant or the holder, as the case may be, giving the reasons in writing for such refusal or revocation.

(2) Any person aggrieved by an order made under sub-section (1) may, within thirty

days of the service on him of the order, appeal to the prescribed authority which shall decide the appeal after giving such person and the authority which made the order an opportunity of being heard and the decision of the appellate authority shall be binding on the authority which made the order.

* * * * *

41. (1) * * * * *

Registration,
how to be
made.

(3) The registering authority shall issue to the owner of a motor vehicle registered by it a certificate of registration in such form and containing such particulars and information and in such manner as may be prescribed by the Central Government.

* * * * *

(11) If the owner fails to make an application under sub-section (1), or, as the case may be, under sub-section (8) within the period prescribed, the registering authority may, having regard to the circumstances of the case, require the owner to pay, in lieu of any action that may be taken against him under section 177, such amount not exceeding one hundred rupees as may be prescribed under sub-section (13):

Provided that action under section 177 shall be taken against the owner where the owner fails to pay the said amount.

* * * * *

50. (1) * * * * *

Transfer of
ownership.

(7) A registering authority making any such entry shall communicate the transfer of ownership to the transferor and to the original registering authority, if it is not the original registering authority.

51. (1) Where an application for registration of motor vehicle which is held under a hire-purchase, lease or hypothecation agreement (hereafter in this section referred to as the said agreement) is made, the registering authority shall make an entry in the certificate of registration regarding the existence of the said agreement.

Special
provisions
regarding
motor vehicle
subject to
hire-purchase
agreement,
etc.

(2) Where the ownership of any motor vehicle registered under this Chapter is transferred and the transferee enters into the said agreement with any person, the last registering authority shall, on receipt of an application in such form as the Central Government may prescribe from the parties to the said agreement, make an entry as to the existence of the said agreement in the certificate of registration and an intimation in this regard shall be sent to the original registering authority if the last registering authority is not the original registering authority.

(11) A registering authority registering the new vehicle, or issuing the duplicate certificate of registration or a no objection certificate or a temporary certificate of registration, or issuing or renewing, a fitness certificate or substituting entries relating to another motor vehicle in the permit, shall intimate the financier of such transaction.

* * * * *

52. (1) * * * * *

Alteration in
motor
vehicle.

(5) Subject to the provisions made under sub-sections (1), (2), (3) and (4), no person holding a vehicle under a hire-purchase agreement shall make any alteration to the vehicle except with the written consent of the registered owner.

Explanation.—For the purposes of this section, "alteration" means a change in the structure of a vehicle which results in a change in its basic feature.

* * * * *

57. (1) * * * * *

Appeals.

(2) The appellate authority shall give notice of the appeal to the original authority and after giving an opportunity to the original authority and the appellant to be heard in the appeal pass such order as it thinks fit.

Special provisions in regard to transport vehicles.

58. (1) * * * * *

(3) There shall not be entered in the certificate of registration of any such vehicle any gross vehicle weight or a registered axle weight of any of the axles different from that specified in the notification under sub-section (1) in relation to the make and model of such vehicle and to the number, nature and size of the tyres attached to its wheels:

Provided that where it appears to the Central Government that heavier weights than those specified in the notification under sub-section (1) may be permitted in a particular locality for vehicles of a particular type, the Central Government may, by order in the Official Gazette direct that the provisions of this sub-section shall apply with such modifications as may be specified in the order.

* * * * *

Power to State Government to control road transport.

67. (1) A State Government, having regard to—

(a) the advantages offered to the public, trade and industry by the development of motor transport,

(b) the desirability of co-ordinating road and rail transport,

(c) the desirability of preventing the deterioration of the road system, and

(d) the desirability of preventing uneconomic competition among holders of permits,

may, from time to time, by notification in the Official Gazette, issue directions both to the State Transport Authority and Regional Transport Authority—

(i) regarding the fixing of fares and freights (including the maximum and minimum in respect thereof) for stage carriages, contract carriages and goods carriages:

(ii) regarding the prohibition or restriction, subject to such conditions as may be specified in the directions, of the conveying of long distance goods traffic generally, or of specified classes of goods by goods carriages;

(iii) regarding any other matter which may appear to the State Government necessary or expedient for giving effect to any agreement entered into with the Central Government or any other State Government or the Government of any other country relating to the regulation of motor transport generally, and in particular to its coordination with other means of transport and the conveying of long distance goods traffic:

Provided that no such notification in respect of the matters referred to in clause (ii) or clause (iii) shall be issued unless a draft of the proposed directions is published in the Official Gazette specifying therein a date being not less than one month after such publication, on or after which the draft will be taken into consideration and any objection or suggestion which may be received has, in consultation with the State Transport Authority, been considered after giving the representatives of the interests affected an opportunity of being heard.

* * * * *

Transport Authorities.

68. (1) * * * * *

(3) The State Transport Authority and every Regional Transport Authority shall give effect to any directions issued under section 67 and the State Transport Authority shall, subject to such directions and save as otherwise provided by or under this Act, exercise and discharge the State the following powers and functions, namely:—

(a) to coordinate and regulate the activities and policies of the Regional Transport Authorities, if any, of the State;

(b) to perform the duties of a Regional Transport Authority where there is no

such Authority and, if it thinks fit or if so required by a Regional Transport Authority, to perform those duties in respect of any route common to two or more regions;

(c) to settle all disputes and decide all matters on which differences of opinion arise between Regional Transport Authorities; and

(ca) Government to formulate routes for plying stage carriages; and

(d) to discharge such other functions as may be prescribed.

* * * * *

71. (1) * * * * *

(3) (a) The State Government shall, if so directed by the Central Government having regard to the number of vehicles, road conditions and other relevant matters, by notification in the Official Gazette, direct a State Transport Authority and a Regional Transport Authority to limit the number of stage carriages generally or of any specified type, as may be fixed and specified in the notification, operating on city routes in towns with a population of not less than five lakhs.

Procedure of Regional Transport Authority in considering application for stage carriage permit.

* * * * *

74. (1) * * * * *

(3) (a) The State Government shall, if so directed by the Central Government, having regard to the number of vehicles, road conditions and other relevant matters, by notification in the Official Gazette, direct a State Transport Authority and a Regional Transport Authority to limit the number of contract carriages generally or of any specified type, as may be fixed and specified in the notification, operating on city routes in towns with a population of not less than five lakhs.

Grant of contract carriage permit.

* * * * *

88. (1) * * * * *

(8) Notwithstanding anything contained in sub-section (1), but subject to any rules that may be made under this Act by the Central Government, the Regional Transport Authority of any one region or, as the case may be, the State Transport Authority may, for the convenience of the public, grant a special permit to any public service vehicle including any vehicle covered by a permit issued under section 72 (including a reserve stage carriage) or under section 74 or under sub-section (9) of this section for carrying a passenger or passengers for hire or reward under a contract, express or implied, for the use of the vehicle as a whole without stopping to pick up or set down along the line of route passengers not included in the contract, and in every case where such special permit is granted, the Regional Transport Authority shall assign to the vehicle, for display thereon, a special distinguishing mark in the form and manner specified by the Central Government and such special permit shall be valid in any other region or State without the countersignature of the Regional Transport Authority of the other region or of the State Transport Authority of the other State, as the case may be.

Validation of permits for use outside region in which granted.

* * * * *

89. (1) Any person—

Appeals.

(a) aggrieved by the refusal of the State or a Regional Transport Authority to grant a permit, or by any condition attached to a permit granted to him, or

(b) aggrieved by the revocation or suspension of the permit or by any variation of the conditions thereof, or

(c) aggrieved by the refusal to transfer the permit under section 82, or

(d) aggrieved by the refusal of the State or a Regional Transport Authority to countersign a permit, or by any condition attached to such countersignature, or

(e) aggrieved by the refusal of renewal of a permit, or

(f) aggrieved by the refusal to grant permission under section 83, or

(g) aggrieved by any other order which may be prescribed,

may, within the prescribed time and in the prescribed manner, appeal to the State Transport Appellate Tribunal Constituted under sub-section (2), who shall, after giving such person and the original authority an opportunity of being heard, give a decision thereon which shall be final.

* * * * *

Agent or
canvasser to
obtain
licence.

93. (1) No person shall engage himself—

(i) as an agent or a canvasser, in the sale of tickets for travel by public service vehicles or in otherwise soliciting customers for such vehicles, or

(ii) as an agent in the business of collecting, forwarding or distributing goods carried by goods carriages,

unless he has obtained a licence from such authority and subject to such conditions as may be prescribed by the State Government.

(2) The conditions referred to in sub-section (1) may include all or any of the following matters, namely:—

(a) the period for which a licence may be granted or renewed;

(b) the fee payable for the issue or renewal of the licence;

(c) the deposit of security—

(i) of a sum not exceeding rupees fifty thousand in the case of an agent in the business of collecting, forwarding or distributing goods carried by goods carriages,

(ii) of a sum not exceeding rupees five thousand in the case of any other agent or canvasser,

and the circumstances under which the security may be forfeited;

(d) the provision by the agent of insurance of goods in transit;

(e) the authority by which and the circumstances under which the licence may be suspended or revoked;

(f) such other conditions as may be prescribed by the State Government.

(3) It shall be a condition of every licence that no agent or canvasser to whom the licence is granted shall advertise in any newspaper, book, list, classified directory or other publication unless there is contained in such advertisement appearing in such newspaper, book, list classified directory or other publication the licence number, the date of expiry and the particulars of the authority which granted the licence.

* * * * *

Objection to
the proposal.

100. (1)

(3) The scheme relating to the proposal as approved or modified under sub-section (2) shall then be published in the Official Gazette by the State Government making such scheme and is not less than one newspaper in the regional language circulating in the area or route covered by such scheme and the same shall thereupon become final on the date of its publication in the Official Gazette and shall be called the approved scheme and the area or route to which it relates shall be called the notified area or notified route:

Provided that no such scheme which relates to any inter-State route shall be deemed to be an approved scheme unless it has the previous approval of the Central Government.

* * * * *

110. (1) The Central Government may make rules regulating the construction, equipment and maintenance of motor vehicles and trailers with respect to all or any of the following matters namely:—

Power of
Central
Government
to make rules.

- (a) the width, height, length and overhand of vehicles and of the loads carried;
- (b) the size, nature, maximum retail price and condition of tyres, including embossing thereon of date and year of manufacture, and the maximum load carrying capacity;
- (c) brakes and steering gear;
- (d) the use of safety glasses including prohibition of the use of tinted safety glasses;
- (e) signalling appliances, lamps and reflectors;
- (f) speed governors;
- (g) the emission of smoke, visible vapour, sparks, ashes, grit or oil;
- (h) the reduction of noise emitted by or caused by vehicles;
- (i) the embossment of chassis number and engine number and the date of manufacture;
- (j) safety belts, handle bars of motor cycles, auto-dippers and other equipments essential for safety of drivers, passengers and other road, user;
- (k) standards of the components used in the vehicle as inbuilt safety devices;
- (l) provision for transportation of goods of dangerous or hazardous nature to human life;
- (m) standards for emission of air pollutants;
- (n) installation of catalytic convertors in the class of vehicles to be prescribed;
- (o) the placement of audio-visual or radio or tape recorder type of devices in public vehicles;
- (p) warranty after sale of vehicle and norms therefor:

Provided that any rules relating to the matters dealing with the protection of environment, so far as may be, shall be made after consultation with the Ministry of the Government of India dealing with environment.

* * * * *

111. (1) A State Government may make rules regulating the construction, equipment and maintenance of motor vehicles and trailers with respect to all matters other than the matters specified in sub-section (1) of section 110.

Power of
State
Government
to make rules.

(2) Without prejudice to the generality of the foregoing power, rules may be made under this section governing all or any of the following matters either generally in respect of motor vehicles or trailers or in respect of motor vehicles or trailers of a particular class or description or in particular circumstances, namely:—

- (a) seating arrangements in public service vehicles and the protection of passengers against the weather;
- (b) prohibiting or restricting the use of audible signals at certain times or in certain places;
- (c) prohibiting the carrying of appliances likely to cause annoyance or danger;
- (d) the periodical testing and inspection of vehicles by prescribed authorities and fees to be charged for such test;
- (e) the particulars other than registration marks to be exhibited by vehicles and the manner in which they shall be exhibited;
- (f) the use of trailers with motor vehicles; and

* * * * *

Power to have vehicle weighed.

114. (1) Any officer of the Motor Vehicles Department authorised in this behalf by the State Government shall, if he has reason to believe that a goods vehicle or trailer is being used in contravention of section 113, require the driver to convey the vehicle to a weighing device, if any, within a distance of ten kilometres from any point on the forward route or within a distance of twenty Kilometres from the destination of the vehicle for weighing; and if on such weighing the vehicle is found to contravene in any respect the provisions of section 113 regarding weight, he may, by order in writing, direct the driver to off-load the excess weight at his own risk and not to remove the vehicle or trailer from that place until the laden weight has been reduced or the vehicle or trailer has otherwise been dealt with so that it complies with section 113 and on receipt of such notice, the driver shall comply with such directions.

* * * * *

Duty to produce licence and certificate of registration.

130. (1) The driver of a motor vehicle in any public place shall, on demand by any police officer in uniform, produce his licence for examination:

Provided that the driver may, if his licence has been submitted to, or has been seized by, any officer or authority under this or any other Act, produce in lieu of the licence a receipt or other acknowledgment issued by such officer or authority in respect thereof and thereafter produce the licence within such period, in such manner as the Central Government may prescribe to the police officer making the demand.

* * * * *

CHAPTER X

LIABILITY WITHOUT FAULT IN CERTAIN CASES

Liability to pay compensation in certain cases on the principle of no fault.

140. (1) Where death or permanent disablement of any person has resulted from an accident arising out of the use of a motor vehicle or motor vehicles, the owner of the vehicle shall, or, as the case may be, the owners of the vehicles shall, jointly and severally, be liable to pay compensation in respect of such death or disablement in accordance with the provisions of this section.

(2) The amount of compensation which shall be payable under sub-section (1) in respect of the death of any person shall be a fixed sum of fifty thousand rupees and the amount of compensation payable under that sub-section in respect of the permanent disablement of any person shall be a fixed sum of twenty-five thousand rupees.

(3) In any claim for compensation under sub-section (1), the claimant shall not be required to plead and establish that the death or permanent disablement in respect of which the claim has been made was due to any wrongful act, neglect or default of the owner or owners of the vehicle or vehicles concerned or of any other person.

(4) A claim for compensation under sub-section (1) shall not be defeated by reason of any wrongful act, neglect or default of the person in respect of whose death or permanent disablement the claim has been made nor shall the quantum of compensation recoverable in respect of such death or permanent disablement be reduced on the basis of the share of such person in the responsibility for such death or permanent disablement.

(5) Notwithstanding anything contained in sub-section (2) regarding death or bodily injury to any person, for which the owner of the vehicle is liable to give compensation for relief, he is also liable to pay compensation under any other law for the time being in force:

Provided that the amount of such compensation to be given under any other law shall be reduced from the amount of compensation payable under this section or under section 163A.

Provisions as to other right to claim compensation for death or permanent disablement.

141. (1) The right to claim compensation under section 140 in respect of death or permanent disablement of any person shall be in addition to any other right, except the right to claim under the scheme referred to in section 163A (such other right hereafter in this section referred to as the right on the principle of fault) to claim compensation in respect thereof under any other provision of this Act or of any other law for the time being in force.

(2) A claim for compensation under section 140 in respect of death or permanent disablement of any person shall be disposed of as expeditiously as possible and where compensation is claimed in respect of such death or permanent disablement under section 140 and also in pursuance of any right on the principle of fault, the claim for compensation under section 140 shall be disposed of as aforesaid in the first place.

(3) Notwithstanding anything contained in sub-section (1), where in respect of the death or permanent disablement of any person, the person liable to pay compensation under section 140 is also liable to pay compensation in accordance with the right on the principle of fault, the person so liable shall pay the first-mentioned compensation and—

(a) if the amount of the first-mentioned compensation is less than the amount of the second-mentioned compensation, he shall be liable to pay (in addition to the first-mentioned compensation) only so much of the second-mentioned compensation as is equal to the amount by which it exceeds the first mentioned compensation;

(b) if the amount of the first-mentioned compensation is equal to or more than the amount of the second-mentioned compensation, he shall not be liable to pay the second-mentioned compensation.

142. For the purposes of this Chapter, permanent disablement of a person shall be deemed to have resulted from an accident of the nature referred to in sub-section (1) of section 140 if such person has suffered by reason of the accident, any injury or injuries involving:—

Permanent disablement.

(a) permanent privation of the sight of either eye or the hearing of either ear, or privation of any member or joint; or

(b) destruction or permanent impairing of the powers of any member or joint; or

(c) permanent disfiguration of the head or face.

143. The provisions of this Chapter shall also apply in relation to any claim for compensation in respect of death or permanent disablement of any person under the Workmen's Compensation Act, 1923 resulting from an accident of the nature referred to in sub-section (1) of section 140 and for this purpose, the said provisions shall, with necessary modifications, be deemed to form part of that Act.

Applicability of Chapter to certain claims under Act 8 of 1923.

144. The provisions of this Chapter shall have effect notwithstanding anything contained in any other provision of this Act or of any other law for the being in force.

Overriding effect.

CHAPTER XI

INSURANCE OF MOTOR VEHICLES AGAINST THIRD PARTY RISKS

145. In this Chapter, —

Definitions.

(a) "authorised insurer" means an insurer for the time being carrying on general insurance business in India under the General Insurance Business (Nationalisation) Act, 1972, and any Government insurance fund authorised to do general insurance business under that Act;

* * * * *

(c) "liability", wherever used in relation to the death of or bodily injury to any person, includes liability in respect thereof under section 140;

* * * * *

147. (1) In order to comply with the requirements of this Chapter, a policy of insurance must be a policy which—

Requirements of policies and limits of liability.

(a) is issued by a person who is an authorised insurer; and

(b) insures the person or classes of persons specified in the policy to the extent specified in sub-section (2)-

(i) against any liability which may be incurred by him in respect of the death of or bodily injury to any person, including owner of the goods or his authorised representative carried in the vehicle or damage to any property of a third party caused by or arising out of the use of the vehicle in a public place;

(ii) against the death of or bodily injury to any passenger of a public service vehicle caused by or arising out of the use of the vehicle in a public place:

Provided that a policy shall not be required—

(i) to cover liability in respect of the death, arising out of and in the course of his employment, of the employee of a person insured by the policy or in respect of bodily injury sustained by such an employee arising out of and in the course of his employment other than a liability arising under the Workmen's Compensation Act, 1923 in respect of the death of, or bodily injury to, any such employee—

8 of 1923.

(a) engaged in driving the vehicle, or

(b) if it is a public service vehicle engaged as conductor of the vehicle or in examining tickets on the vehicle, or

(c) if it is a goods carriage, being carried in the vehicle, or

(ii) to cover any contractual liability.

Explanation.—For the removal of doubts, it is hereby declared that the death of or bodily injury to any person or damage to any property of a third party shall be deemed to have been caused by or to have arisen out of, the use of a vehicle in a public place notwithstanding that the person who is dead or injured or the property which is damaged was not in a public place at the time of the accident, if the act or omission which led to the accident occurred in a public place.

* * * * *

Duty of insurers to satisfy judgments and awards against persons insured in respect of third party risks.

149. (1) If, after a certificate of insurance has been issued under sub-section (3) of section 147 in favour of the person by whom a policy has been effected, judgment or award in respect of any such liability as is required to be covered by a policy under clause (b) of sub-section (1) of section 147 (being a liability covered by the terms of the policy) or under the provisions of section 163A is obtained against any person insured by the policy, then, notwithstanding that the insurer may be entitled to avoid or cancel or may have avoided or cancelled the policy, the insurer shall, subject to the provisions of this section, pay to the person entitled to the benefit of the decree any sum not exceeding the sum assured payable thereunder, as if he were the judgment debtor, in respect of the liability, together with any amount payable in respect of costs and any sum payable in respect of interest on that sum by virtue of any enactment relating to interest on judgments.

(2) No sum shall be payable by an insurer under sub-section (1) in respect of any judgment or award unless, before the commencement of the proceedings in which the judgment or award is given the insurer had notice through the Court or, as the case may be, the Claims Tribunal of the bringing of the proceedings, or in respect of such judgment or award so long as execution is stayed thereon pending an appeal; and an insurer to whom notice of the bringing of any such proceedings is so given shall be entitled to be made a party thereto and to defend the action on any of the following grounds, namely:—

(a) that there has been a breach of a specified condition of the policy, being one of the following conditions, namely:—

* * * * *

(ii) a condition excluding driving by a named person or persons or by any person who is not duly licensed, or by any person who has been disqualified for holding or obtaining a driving licence during the period of disqualification; or

(b) that the policy is void on the ground that it was obtained by the non-disclosure of a material fact or by a representation of fact which was false in some material particular.

* * * * *

157. (1) * * * * *

Transfer of certificate of insurance.

(2) The transferee shall apply within fourteen days from the date of transfer in the prescribed form to the insurer for making necessary changes in regard to the fact of transfer in the certificate of insurance and the policy described in the certificate in his favour and the insurer shall make the necessary changes in the certificate and the policy of insurance in regard to the transfer of insurance.

* * * * *

161. (1) For the purposes of this section, section 162 and section 163—

Special provisions as to compensation in case of hit and run motor accident.

(a) "grievous hurt" shall have the same meaning as in the Indian Penal Code, 1860;

(b) "hit and run motor accident" means an accident arising out of the use of a motor vehicle or motor vehicles the identity whereof cannot be ascertained in spite of reasonable efforts for the purpose;

(c) "scheme" means the scheme framed under section 163.

45 of 1860.

57 of 1972.

(2) Notwithstanding anything contained in the General Insurance Business (Nationalisation) Act, 1972 or any other law for the time being in force or any instrument having the force of law, the General Insurance Corporation of India formed under section 9 of the said Act and the insurance companies for the time being carrying on general insurance business in India shall provide for paying in accordance with the provisions of this Act and the scheme, compensation in respect of the death of, or grievous hurt to, person resulting from hit and run motor accidents.

(3) Subject to the provisions of this Act and the scheme, there shall be paid as compensation—

(a) in respect of the death of any person resulting from a hit and run motor accident, a fixed sum of twenty-five thousand rupees;

(b) in respect of grievous hurt to any person resulting from a hit and run motor accident, a fixed sum of twelve thousand and five hundred rupees;

(4) The provision of sub-section (1) of section 166 shall apply for the purpose of making applications for compensation under this section as they apply for the purpose of making applications for compensation referred to in that sub-section.

* * * * *

163. (1) The Central Government may, by notification in the Official Gazette, make a scheme specifying, the manner in which the scheme shall be administered by the General Insurance Corporation, the form, manner and the time within which applications for compensation may be made, the officers or authorities to whom such applications may be made, the procedure to be followed by such officers or authorities for considering and passing orders on such applications, and all other matters connected with, or incidental to, the administration of the scheme and the payment of compensation.

Scheme for payment of compensation in case of hit and run motor accidents.

(2) A scheme made under sub-section (1) may provide that—

(a) a contravention of any provision thereof shall be punishable with imprisonment for such term as may be specified but in no case exceeding three months, or with fine which may extend to such amount as may be specified but in no case exceeding five hundred rupees or with both;

(b) the powers, functions or duties conferred or imposed on any officer or authority by such scheme may be delegated with the prior approval in writing of the Central Government, by such officer or authority to any other officer or authority;

(c) any provision of such scheme may operate with retrospective effect from a date not earlier than the date of establishment of the Solatium Fund under the Motor Vehicles Act, 1939 as it stood immediately before the commencement of this Act:

4 of 1939.

Provided that no such retrospective effect shall be given so as to prejudicially affect the interests of any person who may be governed by such provision.

Special provisions as to payment of compensation on structured formula basis.

163A. (1) Notwithstanding anything contained in this Act or in any other law for the time being in force or instrument having the force of law, the owner of the motor vehicle or the authorised insurer shall be liable to pay in the case of death or permanent disablement due to accident arising out of the use of motor vehicle, compensation, as indicated in the Second Schedule, to the legal heirs or the victim, as the case may be.

Explanation.—For the purposes of this sub-section, "permanent disability" shall have the same meaning and extent as in the Workmen's Compensation Act, 1923.

8 of 1923.

(2) In any claim for compensation under sub-section (1), the claimant shall not be required to plead or establish that the death or permanent disablement in respect of which the claim has been made was due to any wrongful act or neglect or default of the owner of the vehicle or vehicles concerned or of any other person.

(3) The Central Government may, keeping in view the cost of living by notification in the Official Gazette, from time to time amend the Second Schedule.

Option to file claim in certain cases.

163B. Where a person is entitled to claim compensation under section 140 and section 163A, he shall file the claim under either of the said section and not under both.

* * * * *

CHAPTER XII

CLAIMS TRIBUNALS

Claims Tribunals.

165. (1) A State Government may, by notification in the Official Gazette, constitute one or more Motor Accidents Claims Tribunals (hereafter in this Chapter referred to as Claims Tribunal) for such area as may be specified in the notification for the purpose of adjudicating upon claims for compensation in respect of accidents involving the death of, or bodily injury to, persons arising out of the use of motor vehicles, or damages to any property of a third party so arising, or both.

Explanation.— For the removal of doubts, it is hereby declared that the expression "claims for compensation in respect of accidents involving the death of or bodily injury to persons arising out of the use of motor vehicles" includes claims for compensation under section 140 and section 163A.

* * * * *

Application for compensation.

166. (1) * * * * *

(2) Every application under sub-section (1) shall be made, at the option of the claimant, either to the Claims Tribunal having jurisdiction over the area in which the accident occurred, or to the Claims Tribunal within the local limits of whose jurisdiction the claimant resides or

carries on business or within the local limits of whose jurisdiction the defendant resides, and shall be in such form and contain such particulars as may be prescribed:

Provided that where no claim for compensation under section 140 is made in such application, the application shall contain a separate statement to that effect immediately before the signature of the applicant.

* * * * *

8 of 1923.

167. Notwithstanding anything contained in the Workmen's Compensation Act, 1923 where the death of, or bodily injury to, any person gives rise to a claim for compensation under this Act and also under the Workmen's Compensation Act, 1923, the person entitled to compensation may without prejudice to the provisions of Chapter X claim such compensation under either of those Acts but not under both.

Option regarding claims for compensation in certain cases.

168. On receipt of an application for compensation made under section 166, the Claims Tribunal shall, after giving notice of the application to the insurer and after giving the parties (including the insurer) an opportunity of being heard, hold an inquiry into the claim or, as the case may be, each of the claims and, subject to the provisions of section 162 may make an award determining the amount of compensation which appears to it to be just and specifying the person or persons to whom compensation shall be paid and in making the award the Claims Tribunal shall specify the amount which shall be paid by the insurer or owner or driver of the vehicle involved in the accident or by all or any of them, as the case may be:

Award of the claims Tribunals.

Provided that where such application makes a claim for compensation under section 140 in respect of the death or permanent disablement of any person, such claim and any other claim (whether made in such application or otherwise) for compensation in respect of such death or permanent disablement shall be disposed of in accordance with the provisions of Chapter X.

* * * * *

171. Where any Claims Tribunal allows a claim for compensation made under this Act, such Tribunal may direct that in addition to the amount of compensation simple interest shall also be paid at such rate and from such date not earlier than the date of making the claim as it may specify in this behalf.

Award of interest where any claim is allowed.

* * * * *

CHAPTER XIII

OFFENCES, PENALTIES AND PROCEDURE

177. Whoever contravenes any provision of this Act or of any rule, regulation or notification made thereunder shall, if no penalty is provided for the offence be punishable for the first offence with fine which may extend to one hundred rupees, and for any second or subsequent offence with fine which may extend to three hundred rupees.

General provision for punishment of offences.

* * * * *

180. Whenever, being the owner or person in charge of a motor vehicle, causes or permits, any other person who does not satisfy the provisions of section 3 or section 4 to drive the vehicle shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both.

Allowing unauthorised persons to drive vehicles.

181. Whoever drives a motor vehicle in contravention of section 3 or section 4 shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

Driving vehicles in contravention of section 3 or section 4.

* * * * *

183. (1) Whoever drives a motor vehicle in contravention of the speed limits referred to in section 112 shall be punishable with fine which may extend to four hundred rupees, or,

Driving at excessive speed, etc.

if having been previously convicted of an offence under this sub-section is again convicted of an offence under this sub-section, with fine which may extend to one thousand rupees.

(2) Whoever causes any person who is employed by him or is subject to his control in driving to drive a motor vehicle in contravention of the speed limits referred to in section 112 shall be punishable with fine which may extend to three hundred rupees, or, if having been previously convicted of an offence under this sub-section, is again convicted of an offence under this sub-section, with fine which may extend to five hundred rupees.

* * * * *

Driving dangerously.

184. Whoever drives a motor vehicle at a speed or in a manner which is dangerous to the public, having regard to all the circumstances of the case including the nature, condition and use of the place where the vehicle is driven and the amount of traffic which actually is at the time or which might reasonably be expected to be in the place, shall be punishable for the first offence with imprisonment of a term which may extend to six months or with fine which may extend to one thousand rupees, and for any second or subsequent offence if committed within three years of the commission of a previous similar offence with imprisonment for a term which may extend to two years, or with fine which may extend to two thousand rupees, or with both.

Driving by a drunken person or by a person under the influence of drugs.

185. Whoever, while driving, or attempting to drive, a motor vehicle,—

(a) has, in his blood, alcohol exceeding 30 mg. per 100 ml. of blood detected in a test by a breath analyser, or

(b) is under this influence of a drug to such an extent as to be incapable of exercising proper control over the vehicle,

shall be punishable for the first offence with imprisonment for a term which may extend to six months, or with fine which may extend to two thousand rupees, or with both; and for a second or subsequent offence, if committed within three years of the commission of the previous similar offence, with imprisonment for a term which may extend to two years, or with fine which may extend to three thousand rupees, or with both.

Explanation.—For the purposes of this section, the drug or drugs specified by the Central Government in this behalf, by notification in the Official Gazette, shall be deemed to render a person incapable of exercising proper control over a motor vehicle.

Driving when mentally or physically unfit to drive.

186. Whoever drives a motor vehicle in any public place when he is to his knowledge suffering from any disease or disability calculated to cause his driving of the vehicle to be a source of danger to the public, shall be punishable for the first offence with fine which may extend to two hundred rupees and for a second or subsequent offence with fine which may extend to five hundred rupees.

Punishment for offences relating to accident.

187. Whoever fails to comply with the provisions of clause (c) of sub-section (1) of section 132 or of section 133 or of section 134 shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both or, if having been previously convicted of an offence under this section, he is again convicted of an offence under this section, with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

* * * * *

Using vehicle without registration.

192. Whoever drives a motor vehicle or causes or allows a motor vehicle to be used in contravention of the provisions of section 39 shall be punishable for the first offence with a fine which may extend to five thousand rupees but shall not be less than two thousand rupees for a second or subsequent offence with imprisonment which may extend to one year or with fine which may extend to ten thousand rupees but shall not be less than five thousand rupees or with both:

Provided that the Court may, for reasons to be recorded, impose a lesser punishment.

* * * * *

192A. (1) Whoever drives a motor vehicle or causes or allows a motor vehicle to be used in contravention of the provisions of sub-section (1) of section 66 or in contravention of any condition of a permit relating to the route on which or the area in which or the purpose for which the vehicle may be used, shall be punishable for the first offence with a fine which may extend to five thousand rupees but shall not be less than two thousand rupees and for any subsequent offence with imprisonment which may extend to one year but shall not be less than three months or with fine which may extend to ten thousand rupees but shall not be less than five thousand rupees or with both:

Using vehicle without permit.

Provided that the court may for reasons to be recorded, impose a lesser punishment.

* * * * *

198. Whoever otherwise than with lawful authority or reasonable excuse enters or moves any stationary motor vehicle or tampers with the brake or any part of the mechanism of a motor vehicle shall be punishable with fine which may extend to one hundred rupees.

Unauthorised interference with vehicle.

* * * * *

200. (1) Any offence whether committed before or after the commencement of this Act punishable under section 177, section 178, section 179, section 180, section 181, section 182, sub-section (1) or sub-section (2) of section 183, section 184, section 186, section 189, sub-section (2) of section 190, section 191, section 192, section 194, section 196, or section 198, may either before or after the institution of the prosecution, be compounded by such officers or authorities and for such amount as the State Government may, by notification in the Official Gazette, specify in this behalf.

Composition of certain offences.

(2) Where an offence has been compounded under sub-section (1) the offender, if in custody, shall be discharged and no further proceedings shall be taken against him in respect of such offence.

* * * * *

THE SECOND SCHEDULE

(See section 163A)

Schedule for compensation for third party fatal accidents/injury cases claims

1. Fatal Accidents:

Annual Income	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	3000	4200	5400	6600	7000	9000	10200	11400	12000	18000	24000	36000	40000				
AGE OF VICTIM	MULTIPLIER																
	RUPEES IN THOUSANDS																
	compensation in case of death																
Up to 15 yrs.	60	84	108	132	156	180	204	228	240	360	480	720	800				
Above 15 yrs. but not exdg. 20 yrs.	57	79.8	102	125.4	148.2	171	193.8	216.6	228	342	456	684	760				
Above 20 yrs. but not exdg. 25 yrs.	54	75.6	97.2	118.8	140.4	162	183.6	205.2	216	324	432	648	720				
Above 25 yrs. but not exdg. 30 yrs.	51	71.4	91.8	112.2	132.6	153	173.4	193.8	204	306	408	612	680				
Above 30 yrs. but not exdg. 35 yrs.	50	67.2	86.4	105.6	124.8	144	163.2	192.4	192	288	384	576	640				
Above 35 yrs. but not exdg. 40 yrs.	50	63	81	99	117	135	153	171	180	270	360	540	600				
Above 40 yrs. but not exdg. 45 yrs.	50	58.8	75.6	92.4	109.2	126	142.8	159.6	168	252	336	504	560				
Above 45 yrs. but not exdg. 50 yrs.	50	50.4	64.8	79.2	93.6	108	122.4	136.8	144	216	286	432	480				
Above 50 yrs. but not exdg. 55 yrs.	50	50	54	66	78	90	102	114	120	180	240	360	400				
Above 55 yrs. but not exdg. 60 yrs.	50	50	50	52.8	62.4	72	81.6	91.2	96	144	192	286	320				
Above 60 yrs. but not exdg. 65 yrs.	50	50	50	50	50	54	61.2	68.4	72	108	144	216	240				
Above 65 yrs.	50	50	50	50	50	50	51	57	60	90	120	180	200				

Note: The amount of compensation so arrived at in the case of fatal accident claims shall be reduced by 1/3rd in consideration of the expenses which the victim would have incurred towards maintaining himself had he been alive.

2. Amount of compensation shall not be less than Rs. 50,000

3. *General Damage (in case of death):*

The following General Damages shall be payable in addition to compensation & outlined above.

(i) Funeral expenses	—	Rs. 2,000/-
(ii) Loss of Consortium, if beneficiary is the spouse	—	Rs. 5,000/-
(iii) Loss of Estate	—	Rs. 2,500/-
(iv) Medical Expenses — actual expenses incurred before death supported by bills/vouchers but not exceeding	—	Rs. 15,000/-

4. *General Damages in case of injuries and Disabilities*

(i) Pain and Sufferings		
(a) Grievous injuries	—	Rs. 5,000/-
(b) Non-grievous injuries	—	Rs. 1,000/-
(ii) Medical Expenses — actual expenses incurred supported by bills/vouchers but not exceeding as one time payment	—	Rs. 15,000/-

5. *Disability in non-fatal accidents:*

The following compensation shall be payable in case of disability to the victim arising out of non-fatal accidents:

Loss of income, if any, for actual period of disablement not exceeding fifty-two weeks.

PLUS either of the following:—

- (a) In case of permanent total disablement the amount payable shall be arrived at by multiplying the annual loss of income by the Multiplier applicable to the age on the date of determining the compensation, or
- (b) In case of permanent partial disablement such percentage of compensation which would have been payable in the case of permanent total disablement as specified under item (a) above.

Injuries, deemed to result in Permanent Total Disablement/Permanent Partial Disablement and percentage of loss of earning capacity shall be as per Schedule 1 under Workmen's Compensation Act, 1923.

6. National income for compensation to those who had no income prior to accident:—

Fatal and disability in non-fatal accidents:—

(a) Non-earning persons	—	Rs. 15,000 p.a.
(b) Spouse	—	Rs. 1/3rd of income of the earning surviving spouse

In case of other injuries only "General Damage" as applicable.

RAJYASABHA

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BILL

further to amend the Motor Vehicles Act, 1988.

(Shri T.R. Baalu, Minister of Shipping, Road Transport and Highways)