

Standing Committee Report Summary

The Motor Vehicles (Amendment) Bill, 2007

- The Standing Committee on Transport, Tourism and Culture submitted its 139th Report on 'The Motor Vehicles (Amendment) Bill, 2007' on April 28, 2008. The Chairperson was Shri Sitaram Yechury.
- The Bill amends the Motor Vehicles Act, 1988 which regulates motor vehicles, by enhancing penalties, conferring powers to state and union territories, streamlining compensation to victims, etc.
- The Bill states that a person is eligible for a licence for a transport vehicle after he has held a driving licence for a light motor vehicle (LMV) for at least two year. The Committee recommends that for three wheelers and LMV transport vehicles it should remain one year.
- The Bill seeks to allow licensing authority to exempt an applicant for learner's licence from the test to drive a motor vehicle (excluding transport vehicle) if he has a driving licence issued by an institution or automobile association authorised by the state government. The Committee recommends that the state government should delegate such powers to private institutions only if the government infrastructure or manpower is inadequate. Also, well defined parameters with regard to qualification, infrastructure requirement, etc. should be laid down before private institutions are given such powers.
- The Committee recommends that state governments implement registration certificates, driving licences, etc in the smart card format. All state level databases should be linked to create national level database.
- The Bill proposes to curtail the time period in which a person can apply for renewal of driving licence after it has ceased to be valid from five years to one year. The Committee suggests that in cases where the driving licence expires when the person is out of station or settled abroad, the time limit for renewal of their licences may be extended beyond one year.
- The Bill allows the specified authority to suspend the driving licence for three months if the driver is under the influence of alcohol. The Committee suggests that the government may treat deaths due to drunken driving as culpable homicide not amounting to murder. Also, if the drunk driver commits an accident his action should be treated as a premeditated commitment of a crime and he should be punishable under relevant provisions of Indian Penal Code depending on the consequences of the accident.
- The Committee is of the view that the period for issue of certificate by the registering authority may be reduced from 30 days to 15 days with a higher quantum of penalty if the owner does not get his vehicle registered.
- The Bill proposes to penalise the consignor or common carrier (whoever issued relevant documents) if the load carried by a vehicle is in excess of the prescribed limit. The Committee is of the opinion that liability should not be restricted to consignor but include driver on such overloading, officials enforcing provision regarding overloading and approval of tonnage of vehicles. The Committee recommends that a road map should be drawn with the participation of tyre manufacturers, truck body-builders and the agencies which approve the tonnage of vehicles.
- The Bill seeks to absolve the insurer from liability in case of an accident where the vehicle was being driven by a person without a valid licence. The Committee recommends that if an insured vehicle commits an accident, the insurer may be held responsible as per the insurance policy irrespective of the fact that the vehicle was driven by a valid licence holder or not.
- The Committee recommends that every vehicle must be insured against third party liability and a fixed amount of the third party liability premium must be collected by the insurance agencies towards the corpus of the solatium fund (to be utilised for paying compensation to persons in case of death or grievous harm). The Committee recommends that the amount of compensation may be increased to Rs 1lakh in case of death of a person from hit and run accident and Rs.50,000 in case of grievous hurt. The Committee also suggests that the compensation amount may be revised annually in proportion to the rate of inflation.
- The Bill states that compensation has to be claimed within three years of the accident. The Committee recommends that in cases of simple injury with no permanent disability the claimants should claim compensation within six months from the accident.
- The Committee recommends that time limit of depositing the amount of award by the claims tribunal should not be increased from 30 days to 60 days.

- The Committee suggests that slab rates for over speeding should be formulated to include every offence under the Act. Also, a new section should be added specifically for the usage of mobile phones.
- The Committee feels there is insufficiency of road signage and some of them are obsolete. The Committee recommends that the Bill should be amended with

comprehensive signs and symbols, road markings and signals as per the guidelines of the Indian Roads Congress. A high level committee should be formed to explore the possibilities and give suggestions.

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