

LL.M. IV SEMESTER

SUBJECT – INSURANCE LAW

CODE - L-4003

Motor Vehicle Insurance

Compulsory Insurance

- It is mandatory that every Motor Vehicle should have a valid Insurance to be driven on Public Roads.
Insurance - Explained earlier

Motor Vehicle Insurance :-

- **First Party** (Comprehensive Policy) (Cover , Owner, Driver & Third Party)
- **Third Party** (Specific Liability Policy) (Cover only Third Parties liability) :- Statutory Compulsion Motor Vehicle Act.
The Policy doesn't provide any benefit to the insured , it only covers / provide the legal liability for accident / death / disability of third party property.

National Insurance Co. Ltd. v. Fakir Chand (AIR 1995)

Third Party is an statutory compulsion , it can't be waived or over looked by any method.

G. Govindan v. New India Assurance Co. Ltd.

Third Party Insurance doesn't provide any remedy to the Insured in case of accidental injury or any other loss.

- **In the Third Party** Policies the premiums don't vary with the value of what is being insured because what is insured is the Legal liability and it is not possible to know in advance what that liability will be.

- **Compulsory** Motor Vehicle Act Insurance is based on fault , one has to prove the fault of insured to be compensated.
- **Motor** Vehicle Act 1939
- **Motor** Vehicle Act 1988

Relevant Provisions

- Chapter 11 (Sec. 145 to 164)
- Sohan Lal Passis's v. Sesh Reddy (AIR 1996 SC 2627)
- Oriental Insurance Co. v. Inderjit Kaur (AIR 1998 SC 588)
- K. Gopal Krishnan v. Sankara Narayanan (AIR 1968 mad 438)
- S. Sudhakaran v. A.K. Francis (AIR 1997 Ker 26)

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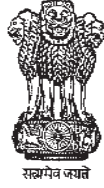
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भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 51] नई दिल्ली, शुक्रवार, अगस्त 9, 2019/ श्रावण 18, 1941 (शक)
No. 51] NEW DELHI, FRIDAY, AUGUST 9, 2019/SHRAVANA 18, 1941 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 9th August, 2019/Shravana 18, 1941 (Saka)

The following Act of Parliament received the assent of the President on the 9th August, 2019, and is hereby published for general information:—

THE MOTOR VEHICLES (AMENDMENT) ACT, 2019

No. 32 OF 2019

[9th August, 2019.]

An Act further to amend the Motor Vehicles Act, 1988.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Motor Vehicles (Amendment) Act, 2019.

Short title and commencement.

(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.

59 of 1988.

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

Amendment of section 2.

(i) for clause (1), the following clauses shall be substituted, namely:—

‘(1) “adapted vehicle” means a motor vehicle either specially designed and constructed, or to which alterations have been made under sub-section (2)

of section 52, for the use of a person suffering from any physical defect or disability, and used solely by or for such person;

(1A) “aggregator” means a digital intermediary or market place for a passenger to connect with a driver for the purpose of transportation;

(1B) “area”, in relation to any provision of this Act, means such area as the State Government may, having regard to the requirements of that provision, specify by notification in the Official Gazette;’;

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

‘(4A) “community service” means an unpaid work which a person is required to perform as a punishment for an offence committed under this Act;’;

(iii) after clause (9), the following clause shall be inserted, namely:—

‘(9A) “driver refresher training course” means the course referred to in sub-section (2A) of section 19;’;

(iv) after clause (12), the following clause shall be inserted, namely:—

‘(12A) “golden hour” means the time period lasting one hour following a traumatic injury during which there is highest likelihood of preventing death by providing prompt medical care;’;

(v) clause (18) shall be omitted;

(vi) in clause (24), for the words “invalid carriage”, the words “adapted vehicle” shall be substituted;

(vii) in clause (26), for the words “invalid carriage”, the words “adapted vehicle” shall be substituted;

(viii) after clause (38), the following clause shall be inserted, namely:—

‘(38A) “scheme” means a scheme framed under this Act;’;

(ix) after clause (42), the following clause shall be inserted, namely:—

‘(42A) “testing agency” means any entity designated as a testing agency under section 110B;’;

(x) in clause (49), after the word “rests”, the words “or moves” shall be inserted.

Insertion of
new section
2B.

Promotion of
innovation.

3. After section 2A of the principal Act, the following section shall be inserted, namely:—

“2B. Notwithstanding anything contained in this Act and subject to such conditions as may be prescribed by the Central Government, in order to promote innovation, research and development in the fields of vehicular engineering, mechanically propelled vehicles and transportation in general, the Central Government may exempt certain types of mechanically propelled vehicles from the application of the provisions of this Act.”.

Amendment
of section 8.

4. In section 8 of the principal Act,—

(i) in sub-section (1), for the words “the licensing authority having jurisdiction in the area”, the words “any of the licensing authority in the State” shall be substituted;

(ii) in sub-section (2), for the words “and with such fee”, the words “with such fee and submit in such manner, including electronic means” shall be substituted;

(iii) in sub-section (3),—

(a) after the word “application”, the words “to drive a transport vehicle made” shall be inserted;

(b) the proviso shall be omitted;

(iv) in sub-section (4), in the proviso, for the words “invalid carriage”, the words “adapted vehicle” shall be substituted;

(v) in sub-section (5), for the words “passes to the satisfaction of the licensing authority such test”, the words “satisfies such conditions” shall be substituted;

(vi) in sub-section (6), after the proviso, the following provisos shall be inserted, namely:—

“Provided further that a licencing authority may issue a learner’s licence in electronic form and such manner as may be prescribed by the Central Government.:

Provided also that the licensing authority may, before issuing the license, verify the identity of the applicant in such manner as may be prescribed by the Central Government.”.

5. In section 9 of the principal Act,—

Amendment
of section 9.

(i) in sub-section (1), for the words “the licensing authority having jurisdiction in the area”, the words “any licensing authority in the State” shall be substituted;

(ii) in sub-section (3), for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that a driving licence for driving an adapted vehicle may be issued to the applicant, if the licensing authority is satisfied that he is fit to drive such motor vehicle.”;

(iii) in sub-section (4), the words “such minimum educational qualification as may be prescribed by the Central Government and” shall be omitted;

(iv) in sub-section (5), in the proviso, after the words “last such test”, the words and figures “and such applicant shall be required to complete a remedial driver training course from any school or establishment under section 12” shall be inserted.

6. In section 10 of the principal Act, in sub-section (2), in clause (c), for the words “invalid carriage”, the words “adapted vehicle” shall be substituted.

Amendment
of section 10.

7. In section 11 of the principal Act,—

Amendment
of section 11.

(i) in sub-section (1), for the words “the licensing authority having jurisdiction in the area”, the words “any licensing authority in the State” shall be substituted;

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

“Provided that the licensing authority may, before issuing the license verify the identity of the applicant in such manner as may be prescribed by the Central Government.”.

8. In section 12 of the principal Act, after sub-section (4), the following sub-sections shall be inserted, namely:—

Amendment
of section 12.

“(5) Notwithstanding anything contained in any other provision, where any school or establishment has been accredited by a body notified by the Central Government under any other law for the time being in force, any person who has successfully completed a training module at such school or establishment covering a particular type of motor vehicle shall be eligible to obtain a driving licence for such type of motor vehicle.

(6) The curriculum of the training module referred to in sub-section (5) and the remedial driver training course referred to in sub-section (5) of section 9 shall be such as may be prescribed by the Central Government and that Government may make rules for the regulation of such schools or establishments.”.

Amendment
of section 14.

9. In section 14 of the principal Act, in sub-section (2),—

(i) in clause (a),—

(A) for the words “three years”, the words “five years” shall be substituted;

(B) in the proviso, for the portion beginning with the words “one year” and ending with the word “and” the words “three years and renewal thereof shall be subject to such conditions as the Central Government may prescribe; and”, shall be substituted;

(ii) for clause (b), the following clause shall be substituted, namely:—

“(b) in the case of any other licence, subject to such conditions as the Central Government may prescribe, if the person obtaining the licence, either originally or on renewal thereof,—

(i) has not attained the age of thirty years on the date of issue or, renewal thereof, be effective until the date on which such person attains the age of forty years; or

(ii) has attained the age of thirty years but has not attained the age of fifty years on the date of issue or, renewal thereof, be effective for a period of ten years from the date of such issue or renewal; or

(iii) has attained the age of fifty years but has not attained the age of fifty-five years on the date of issue or, renewal thereof, be effective until the date on which such person attains the age of sixty years; or

(iv) has attained the age of fifty-five years on the date of issue or as the case may be, renewal thereof, be effective for a period of five years from the date of such issue or renewal.”;

(iii) the proviso shall be omitted.

Amendment
of section 15.

10. In section 15 of the principal Act,—

(i) in sub-section (1), in the first proviso, for the words “more than thirty days”, the words “either one year prior to date of its expiry or within one year” shall be substituted;

(ii) in sub-section (3), for the words “thirty days”, the words “one year” shall be substituted; and

(iii) in sub-section (4),—

(a) for the words “thirty days”, the words “one year” shall be substituted; and

(b) in the second proviso for the words “five years after the driving license has ceased to be effective, the licensing authority may”, the words “one year after the driving licence has ceased to be effective, the licensing authority shall” shall be substituted.

Amendment
of section 19.

11. In section 19 of the principal Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Where a licence has been forwarded to the licensing authority under sub-section (4) of section 206, the licensing authority, if satisfied after giving the holder of the driving licence an opportunity of being heard, may either discharge the holder of a driving licence or, it may for detailed reasons recorded in writing, make an order disqualifying such person from holding or obtaining any licence to drive all or any class or description of vehicles specified in the licence—

(a) for a first offence, for a period of three months;

(b) for a second or subsequent offence, with revocation of the driving licence of such person:

Provided that where a driving licence is revoked under this section, the name of the holder of such driving licence may be placed in the public domain in such manner as may be prescribed by the Central Government.”;

(ii) in sub-section (2),—

(a) after the word, brackets and figure “sub-section (1)”, the words, brackets, figure and letter “or sub-section (1A)” shall be inserted;

(b) for the proviso, the following proviso shall be substituted, namely:—

“Provided that the driving licence shall be returned to the holder at the end of the period of disqualification only if he successfully completes the driver refresher training course.”;

(iii) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(2A) The licence holder whose licence has been suspended shall undergo the driver refresher training course from a school or establishment licenced and regulated under section 12 or such other agency, as may be notified by the Central Government.

(2B) The nature, syllabus and duration of the driver refresher training course shall be such as may be prescribed by the Central Government.”;

(iv) in sub-section (3), after the word, brackets and figure “sub-section (1)”, the words, brackets, figure and letter “or sub-section (1A)” shall be inserted.

12. After section 25 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 25A.

“25A. (1) The Central Government shall maintain a National Register of Driving Licences in such form and manner as may be prescribed.

National Register of Driving Licences.

(2) All State Registers of Driving Licences shall be subsumed under the National Register of Driving Licences by a date to be notified by the Central Government.

(3) No driving licence issued, or renewed, under this Act shall be valid unless it has been issued a unique driving licence number under the National Register of Driving Licences.

(4) All State Governments and licensing authorities under this Act shall transmit all information including contained data in the State Register of Driving Licences in such form and manner as may be prescribed by the Central Government.

(5) The State Governments shall be entitled to access the National Register and update their records in such manner as may be prescribed by the Central Government.”.

13. For section 26 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 26.

“26. Each State Government shall maintain, in such form as may be prescribed by the Central Government, a register to be known as the State Register of Driving Licences, in respect of driving licences issued and renewed by the licensing authorities of the State Government, containing particulars, including—

Maintenance of State Registers of Driving Licences.

(a) names and addresses of holders of driving licences;

(b) licence numbers;

- (c) dates of issue or renewal of licences;
- (d) dates of expiry of licences;
- (e) classes and types of vehicles authorised to be driven; and
- (f) such other particulars as the Central Government may prescribe.”.

Amendment
of section 27.

14. In section 27 of the principal Act,—

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

“(da) the form and manner in which a licensing authority may issue a learner’s licence under sub-section (6) of section 8;

(db) the manner in which a licensing authority may verify the identity of the applicant under the third proviso to sub-section (6) of section 8;”;

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

“(ja) the curriculum of training modules and the regulation of schools and establishments under sub-section (6) of section 12;

(jb) the conditions for the renewal of licence to drive transport vehicles carrying goods of dangerous or hazardous nature and other motor vehicles under clause (a) and clause (b) of sub-section (2) of section 14;

(jc) the manner in which a licensing authority may verify the identity of the applicant under the third proviso to sub-section (2) of section 11;”;

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

“(na) the manner of placing in the public domain of the name of the licence holder as referred to in sub-section (1A) of section 19;

(nb) providing for the nature, syllabus and duration of the driver refresher training course as referred to in sub-section (2B) of section 19;”;

(iv) after clause (o), the following clause shall be inserted, namely:—

“(oa) all or any of the matters referred to in section 25A;”;

(v) in clause (p), the words, brackets and figure “sub-section (1) of” shall be omitted.

Amendment
of section 28.

15. In section 28 of the principal Act, in sub-section (2), clause (j) shall be omitted.

Amendment
of section 40.

16. In section 40 of the principal Act, for the words “a registering authority”, the words “any registering authority in the State” shall be substituted.

Amendment
of section 41.

17. In section 41 of the principal Act,—

(i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that in the case of a new motor vehicle, the application for registration in the State shall be made by the dealer of such motor vehicle, if the new motor vehicle is being registered in the same State in which the dealer is situated.”;

(ii) in sub-section (3),—

(a) for the words “to the owner of a motor vehicle registered by it a certificate of registration”, the words “a certificate of registration in the name of the owner” shall be substituted;

(iii) in sub-section (6), the following proviso shall be inserted, namely:—

“Provided that in case of a new motor vehicle, the application for the registration of which is made under the second proviso to sub-section (1), such motor vehicle shall not be delivered to the owner until such registration mark is displayed on the motor vehicle in such form and manner as may prescribed by the Central Government.”;

(iv) in sub-section (7),—

(a) the words “other than a transport vehicle” shall be omitted; and

(b) after the words “date of issue of such certificate”, the words “or for such period as may be prescribed by the Central Government” shall be inserted;

(v) in sub-section (8), the words “other than a transport vehicle,” shall be omitted;

(vi) in sub-section (10),—

(a) for the words “for a period of five years”, the words “for such period, as may be prescribed by the Central Government” shall be substituted;

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

“Provided that the Central Government may prescribe different period of renewal for different types of motor vehicles.”;

(vii) sub-sections (11), (12) and (13) shall be omitted.

18. For section 43 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 43.

“43. Notwithstanding anything contained in section 40, the owner of a motor vehicle may apply to any registering authority or other authority as may be prescribed by the State Government to have the motor vehicle temporarily registered and such authority shall issue a temporary certificate of registration and temporary registration mark in accordance with such rules as may be made by the Central Government:

Temporary Registration.

Provided that the State Government may register a motor vehicle that plies, temporarily, within the State and issue a certificate of registration and registration mark for a period of one month in such manner as may be prescribed by the State Government.”.

19. For section 44 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 44.

“44. (1) Subject to such terms and conditions as may be prescribed by the Central Government in this behalf, a motor vehicle sold by an authorised dealer shall not require production before a registering authority for the purposes of registration for the first time.

Production of vehicle at the time of registration.

(2) Subject to such terms and conditions as may be prescribed by the State Government, a person in whose name a certificate of registration has been issued shall not be required to produce the vehicle registered or transferred before a registering authority.”.

20. In section 49 of the principal Act,—

Amendment of section 49.

(i) in sub-section (1), for the words “registering authority, to that other registering authority”, the words “State, to any registering authority in that State” shall be substituted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The intimation under sub-section (1) may be sent to the appropriate registering authority in electronic form along with the electronic form of such

documents, including proof of authentication in such manner as may be prescribed by the Central Government.”;

(iii) in sub-section (2), for the words “one hundred rupees”, the words “five hundred rupees” shall be substituted.

Amendment
of section 52.

21. In section 52 of the principal Act,—

(i) in sub-section (1), for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that the Central Government may prescribe specifications, conditions for approval, retrofitment and other related matters for the alteration of motor vehicles and in such cases, the warranty granted by the manufacturer shall not be considered as void for the purposes of such alteration or retrofitment.”;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) A manufacturer of a motor vehicle shall on the direction issued by the Central Government, alter or retrofit safety equipment, or any other equipment in accordance with such standards and specifications as may be specified by the Central Government.”;

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

“(2) Notwithstanding anything contained in sub-section (1), any person may, with the subsequent approval of the registering authority, alter or cause to be altered any vehicle owned by him to be converted into an adapted vehicle:

Provided that such alteration complies with such conditions as may be prescribed by the Central Government.”;

(iv) in sub-section (3), the words, brackets and figure “or by reason of replacement of its engine without such approval under sub-section (2)” shall be omitted.

Amendment
of section 55.

22. In section 55 of the principal Act, after sub-section (5), the following sub-section shall be inserted, namely:—

“(5A) If any registering authority or other prescribed authority has reason to believe that any motor vehicle within its jurisdiction has been used in the commission of an offence punishable under section 199A, the authority may, after giving the owner an opportunity of making a representation in writing, cancel the certificate of registration of the vehicle for a period of one year:

Provided that the owner of the motor vehicle may apply for fresh registration in accordance with the provisions of section 40 and section 41.”.

Amendment
of section 56.

23. In section 56 of the principal Act,—

(i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that no certificate of fitness shall be granted to a vehicle, after such date as may be notified by the Central Government, unless such vehicle has been tested at an automated testing station.”;

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

“(2) The “authorised testing station” referred to in sub-section (1) means any facility, including automated testing facilities, authorised by the State Government, where fitness testing may be conducted in accordance with the rules made by the Central Government for recognition, regulation and control of such stations.”;

(iii) in sub-section (4), for the proviso, the following provisos shall be substituted, namely:—

“Provided that no such cancellation shall be made by the prescribed authority unless,—

(a) such prescribed authority holds such technical qualification as may be prescribed by the Central Government and where the prescribed authority does not hold the technical qualification, such cancellation is made on the basis of the report of an officer having such qualification; and

(b) the reasons recorded in writing cancelling a certificate of fitness are confirmed by an authorised testing station chosen by the owner of the vehicle whose certificate of fitness is sought to be cancelled:

Provided further that if the cancellation is confirmed by the authorised testing station, the cost of undertaking the test shall be borne by the owner of the vehicle being tested and in the alternative by the prescribed authority.”;

(iv) after sub-section (5), the following sub-sections shall be inserted, namely:—

“(6) All transport vehicles with a valid certificate of fitness issued under this section shall carry, on their bodies, in a clear and visible manner such distinguishing mark as may be prescribed by the Central Government.

(7) Subject to such conditions as the Central Government may prescribe, the provisions of this section may be extended to non-transport vehicles.”.

24. In section 59 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

Amendment of section 59.

“(4) The Central Government may, having regard to the public safety, convenience, protection of the environment and the objects of this Act, make rules prescribing the manner of recycling of motor vehicles and parts thereof which have exceeded their life.”.

25. After section 62 in the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 62A and 62B.

“62A. (1) No registering authority shall register any motor vehicle that contravenes any rule made under clause (a) of sub-section (1) of section 110.

Prohibition of registration and issuance of certificate of fitness to oversized vehicles.

(2) No prescribed authority or authorised testing station shall issue a certificate of fitness under section 56 to any motor vehicle that contravenes any rule made under section 110.

62B. (1) The Central Government shall maintain a National Register of Motor Vehicles in such form and manner as may be prescribed by it:

National Register of Motor Vehicles.

Provided that all State Registers of Motor Vehicles shall be subsumed under the National Register of Motor Vehicles by such date as may be notified in the Official Gazette by the Central Government.

(2) No certificate of registration issued, or renewed, under this Act shall be valid unless it has been issued a unique registration number under the National Register of Motor Vehicles.

(3) In order to maintain the National Register of Motor Vehicles, all State Governments and registering authorities under this Act shall transmit all information and data in the State Register of Motor Vehicles to the Central Government in such form and manner as may be prescribed by the Central Government.

(4) State Governments shall be able to access the National Register of Motor Vehicles and update records in accordance with the provisions of this Act and the rules made by the Central Government thereunder.”.

Substitution of new section for section 63.

26. For section 63 of the principal Act, the following section shall be substituted, namely:—

Maintenance of State Registers of motor vehicles.

“63. Each State Government shall maintain in such form as may be prescribed by the Central Government a register to be known as the State Register of Motor Vehicles, in respect of the motor vehicles in that State, containing the particulars including—

- (a) registration numbers;
- (b) years of manufacture;
- (c) classes and types;
- (d) names and addresses of registered owners; and
- (e) such other particulars as may be prescribed by the Central Government.”.

Amendment of section 64.

27. In section 64 of the principal Act,—

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

“(da) providing for the period of validity of a certificate of registration under sub-section (7) of section 41;”;

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

“(ea) the period of renewal of certificate of registration of different types of motor vehicles under sub-section (10) of section 41;”;

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

“(fa) the issue of temporary certificate of registration and temporary registration mark under section 43;

“(fb) the terms and conditions under which a motor vehicle sold by an authorised dealer shall not require production before a registering authority under sub-section (1) of section 44;”;

(iv) after clause (j), the following clause shall be inserted, namely:—

“(ja) the form and manner for the electronic submission of the intimation of change of address, documents to be submitted along with such intimation including proof of authentication under sub-section (1A) of section 49;”;

(v) after clause (l), the following clauses shall be inserted, namely:—

“(la) specifications, conditions for approval, retrofitment and other related matters for the alteration of motor vehicles under sub-section (1) of section 52;

“(lb) the conditions for the alteration of any motor vehicle into an adapted vehicle under sub-section (2) of section 52;”;

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

“(na) the distinguishing mark to be carried on the body of transport vehicles under sub-section (6) of section 56;

“(nb) the conditions under which the application of section 56 may be extended to non-transport vehicles under sub-section (7) of section 56;

“(nc) the recycling of motor vehicles and parts thereof which have exceeded their life under sub-section (4) of section 59;”;

(vii) after clause (o), the following clauses shall be inserted, namely:—

“(oa) all or any of the matters under sub-section (1) of section 62B;

(ob) all or any of the matters under sub-section (1) and sub-section (2) of section 63;”.

28. In section 65 of the principal Act, in sub-section (2),—

Amendment
of section 65.

(i) in clause (f), after the word “marks”, the words and figures “under the proviso to section 43” shall be inserted;

(ii) clause (o) shall be omitted.

29. In section 66 of the principal Act,—

Amendment
of section 66.

(i) in sub-section (1), after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that where a transport vehicle has been issued any permit or permits, as well as a licence under this Act, such vehicle may be used either under the permit, or permits, so issued to it, or under such licence, at the discretion of the vehicle owner.”;

(ii) in sub-section (3), after clause (p), the following clause shall be inserted, namely:—

“(q) to any transport vehicle having been issued a licence under a scheme, under sub-section (3) of section 67 or sub-section (1) of section 88A, or plying under such orders as may be issued by the Central Government or by the State Government.”.

30. After section 66 of the principal Act, the following sections shall be inserted, namely:—

Insertion of
new sections
66A and 66B.

“66A. The Central Government may develop a National Transportation Policy consistent with the objects of this Act in concurrence with the State Governments and other agencies with a view to—

National
Transportation
Policy.

(i) establish a planning framework for passengers and goods transportation within which transport bodies are to operate;

(ii) establish a medium and long term planning framework for all forms of road transport, identify areas for the development of transport improvement infrastructure across India in consultation with the authorities and agencies related to ports, railways and aviation as well as with local and State level planning, land holding and regulatory authorities for the delivery of an integrated multimodal transport system;

(iii) establish the framework of grant of permits and schemes;

(iv) establish strategic policy for transport by road and its role as a link to other means of transport;

(v) identify strategic policies and specify priorities for the transport system that address current and future challenges;

(vi) provide medium to long term strategic directions, priorities and actions;

(vii) promote competition, innovation, increase in capacity, seamless mobility and greater efficiency in transport of goods or livestock or passengers, and economical use of resources;

(viii) safeguard the interest of the public and promote equity, while seeking to enhance private participation and public-private partnership in the transport sector;

(ix) demonstrate an integrated approach to transport and land use planning;

(x) identify the challenges that the National Transportation Policy seeks to address; and

(xi) address any other matter deemed relevant by the Central Government.

66B. No person who holds the permit issued under this Act shall—

(a) be disqualified from applying for a licence under the scheme made under sub-section (3) of section 67 or sub-section (1) of section 88A by reason of holding such permit; and

(b) be required to get such permit cancelled on being issued a licence under any scheme made under this Act.”.

No bar against permit holders to apply and hold licences under schemes.

Amendment of section 67.

31. In section 67 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(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) promoting effective competition among the transport service providers,

may, from time to time, by notification in the Official Gazette issue directions both to the State Transport Authority and Regional Transport Authority regarding the passengers’ convenience, economically competitive fares, prevention of overcrowding and road safety.”;

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

“Provided that the State Government may subject to such conditions as it may deem fit, and with a view to achieving the objectives specified in clause (d) of sub-section (1), relax all or any of the provisions made under this Chapter.”;

(iii) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(3) Notwithstanding anything contained in this Act, the State Government may, by notification in the Official Gazette, modify any permit issued under this Act or make schemes for the transportation of goods and passengers and issue licences under such scheme for the promotion of development and efficiency in transportation—

(a) last mile connectivity;

(b) rural transport;

(c) reducing traffic congestion;

(d) improving urban transport;

(e) safety of road users;

(f) better utilisation of transportation assets;

(g) the enhancement of economic vitality of the area, through competitiveness, productivity and efficiency;

(h) the increase in the accessibility and mobility of people;

(i) the protection and enhancement of the environment;

(j) the promotion of energy conservation;

(k) improvement of the quality of life;

(l) enhance integration and connectivity of the transportation system, across and between modes of transport; and

(m) such other matters as the Central Government may deem fit.

(4) The scheme framed under sub-section (3), shall specify the fees to be charged, form of application and grant of a licence including the renewal, suspension, cancellation or modification of such licence.”.

32. In section 72 of the principal Act, in sub-section (2), the following proviso shall be inserted, namely:—

Amendment of section 72.

“Provided that the Regional Transport Authority may waive any such condition for a stage carriage permit operating in a rural area, as it deems fit.”.

33. In section 74 of the principal Act,—

Amendment of section 74.

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

“Provided that the Regional Transport Authority may in the interests of last mile connectivity waive any such condition in respect of any such types of vehicles as may be specified by the Central Government.”;

(ii) in sub-section (3), in the proviso to clause (b), after sub-clause (vi), the following sub-clause shall be inserted, namely:—

“(vii) self-help groups.”.

34. After section 88 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 88A.

“88A. (1) Notwithstanding anything contained in this Act, the Central Government may, by notification in the Official Gazette, modify any permit issued under this Act or make schemes for national, multimodal and inter-State transportation of goods or passengers, and issue or modify licences under, such scheme for the following purposes, namely:—

Power of Central Government to make schemes for national, multimodal and inter-State transport of passengers and goods.

(a) last mile connectivity;

(b) rural transport;

(c) improving the movement of freight, and logistics;

(d) better utilisation of transportation assets;

(e) the enhancement to the economic vitality of the area, especially by enabling competitiveness, productivity and efficiency;

(f) the increase in the accessibility and mobility of people;

(g) the protection and enhancement of the environment;

(h) the promotion of energy conservation;

(i) improvement of the quality of life;

(j) enhancement of the integration and connectivity of the transportation system, across and between modes of transport; and

(k) such other matters as the Central Government may deem fit:

Provided that the Central Government may, before taking any action under this sub-section seek concurrence of the State Governments.

(2) Notwithstanding anything contained in sub-section (1), two or more States may make schemes for the operation within such States for the inter-State transportation of goods or passengers:

Provided that in the event of any repugnancy between the schemes made by the Central Government under sub-section (1) and schemes made by two or more States under this sub-section, the schemes made under sub-section (1) shall prevail."

Amendment
of section 92.

35. In section 92 of the principal Act, for the words "stage carriage or contract carriage, in respect of which a permit", the words "transport vehicle, in respect of which a permit or licence" shall be substituted.

Amendment
of section 93.

36. In section 93 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

"Agent or canvasser or aggregator to obtain licence.";

(ii) in sub-section (1),—

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

"(iii) as an aggregator,";

(b) the following provisos shall be inserted, namely:—

"Provided that while issuing the licence to an aggregator the State Government may follow such guidelines as may be issued by the Central Government:

Provided further that every aggregator shall comply with the provisions of the Information Technology Act, 2000 and the rules and regulations made thereunder." 21 of 2000.

Amendment
of section 94.

37. In section 94 of the principal Act, after the word "permit" occurring at both the places the words "or licence issued under any scheme" shall be inserted.

Amendment
of section 96.

38. In section 96 of the principal Act, in sub-section (2), after clause (xxvii), the following clauses shall be inserted, namely:—

"(xxviiia) framing of schemes under sub-section (3) of section 67;

(xxviiib) the promotion of effective competition, passenger convenience and safety, competitive fares and prevention of overcrowding;"

Amendment
of section
110.

39. In section 110 of the principal Act,—

(i) in sub-section (1), in clause (k), after the words "standards of the components", the words ", including software," shall be inserted;

(ii) in sub-section (2), after the words "in particular circumstances", the words "and such rules may lay down the procedure for investigation, the officers empowered to conduct such investigations, the procedure for hearing of such matters and the penalties to be levied thereunder" shall be inserted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Persons empowered under sub-section (2) to conduct investigations referred to in sub-section (2) shall have all the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:— 5 of 1908.

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavit; and
- (d) any other matter as may be prescribed.”.

40. After section 110 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 110A and 110B.

“110A. (1) The Central Government may, by order, direct a manufacturer to recall motor vehicles of a particular type or its variants, if—

Recall of motor vehicles.

(a) a defect in that particular type of motor vehicle may cause harm to the environment or to the driver or occupants of such motor vehicle or other road users; and

(b) a defect in that particular type of motor vehicle has been reported to the Central Government by—

(i) such percentage of owners, as the Central Government, may by notification in the Official Gazette, specify; or

(ii) a testing agency; or

(iii) any other source.

(2) Where the defect referred to in sub-section (1) lies in a motor vehicle component, the Central Government may, by order, direct a manufacturer to recall all motor vehicles which contain such component, regardless of the type or variants of such motor vehicle.

(3) A manufacturer whose vehicles are recalled under sub-section (1) or sub-section (2), shall—

(a) reimburse the buyers for the full cost of the motor vehicle, subject to any hire-purchase or lease-hypothecation agreement; or

(b) replace the defective motor vehicle with another motor vehicle of similar or better specifications which complies with the standards specified under this Act or repair it; and

(c) pay such fines and other dues in accordance with sub-section (6).

(4) Where a manufacturer notices a defect in a motor vehicle manufactured by him, he shall inform the Central Government of the defect and initiate recall proceedings and in such case the manufacturer shall not be liable to pay fine under sub-section (3).

(5) The Central Government may authorise any officer to conduct investigation under this section who shall have all the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavit; and

(d) any other matter as may be prescribed.

(6) The Central Government may make rules for regulating the recall of motor vehicles, of a particular type or its variants, for any defect which in the opinion of the

Central Government, may cause harm to the environment or to the driver or occupants of such motor vehicle or to other road users.

Type-approval certificate and testing agencies.

110B. (1) No motor vehicle, including a trailer or semi-trailer or modular hydraulic trailer or side car shall be sold or delivered or offered for sale or delivery or used in a public place in India unless a type-approval certificate referred to in sub-section (2) has been issued in respect of such vehicle:

Provided that the Central Government may, by notification in the Official Gazette, extend the requirement of type-approval certificate to other vehicles drawn or intended to be drawn by a motor vehicle:

Provided further that such certificate shall not be required for vehicles which are—

(a) intended for export or display or demonstration or exhibition; or

(b) used by a manufacturer of motor vehicles or motor vehicle components or a research and development centre or a test by agency for testing and validation or for data collection, inside factory premises or in a non-public place; or

(c) exempted by the Central Government.

(2) The manufacturer or importer of motor vehicles including trailers, semi-trailers, modular hydraulic trailers and side cars shall submit the prototype of the vehicle to be manufactured or imported for test to a testing agency for obtaining a type-approval certificate by such agency.

(3) The Central Government shall make rules for the accreditation, registration and regulation of testing agencies.

(4) The testing agencies shall conduct tests on vehicles drawn from the production line of the manufacturer or obtained otherwise to verify the conformity of such vehicles to the provisions of this Chapter and the rules and regulations made thereunder.

(5) Where the motor vehicle having a type-approval certificate is recalled under section 110A, the testing agency which granted the certificate to such motor vehicle shall be liable for its accreditation and registration to be cancelled.”.

Amendment of section 114.

41. In section 114 of the principal Act, in sub-section (1), for the words “authorised in this behalf by the State Government”, the words “or any other person authorised in this behalf by the State Government” shall be substituted.

Amendment of section 116.

42. In section 116 of the principal Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Notwithstanding anything contained in sub-section (1), the National Highways Authority of India constituted under the National Highways Authority of India Act, 1988 or any other agency authorised by the Central Government, may cause or permit traffic signs, as provided in the First Schedule, to be placed or erected or removed on national highways for the purpose of regulating motor vehicle traffic and may order the removal of any sign or advertisement which in its opinion is so placed as to obscure any traffic sign from view or is so similar in appearance to a traffic sign as to mislead or is likely to distract the attention or concentration of the driver:

68 of 1988.

Provided that for the purposes of this sub-section, the National Highway Authority of India or any other agency authorised by the Central Government may seek assistance from the authorities of the State Government and the said State Government shall provide such assistance.”;

(ii) in sub-section (3), after the words, brackets and figure “provided by sub-section (1)”, the words, brackets, figure and letter “or sub-section (1A)” shall be inserted.

43. In section 117 of the principal Act, the following provisos shall be inserted, namely:—

Amendment of section 117.

“Provided that the State Government or the authorised authority shall, give primacy to the safety of road users and the free flow of traffic in determining such places:

Provided further that for the purpose of this section the National Highways Authority of India, constituted under the National Highways Authority of India Act, 1988 or any other agency authorised by the Central Government, may also determine such places.”.

68 of 1988.

44. For section 129 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 129.

‘129. Every person, above four years of age, driving or riding or being carried on a motorcycle of any class or description shall, while in a public place, wear protective headgear conforming to such standards as may be prescribed by the Central Government:

Wearing of protective headgear.

Provided that the provisions of this section shall not apply to a person who is a Sikh, if, while driving or riding on the motorcycle, in a public place, he is wearing a turban:

Provided further that the Central Government may by rules provide for measures for the safety of children below four years of age riding or being carried on a motorcycle.

Explanation.— “Protective headgear” means a helmet which,—

(a) by virtue of its shape, material and construction, could reasonably be expected to afford to the person driving or riding on a motorcycle a degree of protection from injury in the event of an accident; and

(b) is securely fastened to the head of the wearer by means of straps or other fastenings provided on the headgear.’.

45. After section 134 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 134A.

“134A. (1) A Good Samaritan shall not be liable for any civil or criminal action for any injury to or death of the victim of an accident involving a motor vehicle, where such injury or death resulted from the Good Samaritan’s negligence in acting or failing to act while rendering emergency medical or non-medical care or assistance.

Protection of Good Samaritans.

(2) The Central Government may by rules provide for the procedure for questioning or examination of the Good Samaritan, disclosure of personal information of the Good Samaritan and such other related matters.

Explanation.—For the purposes of this section, “Good Samaritan” means a person, who in good faith, voluntarily and without expectation of any reward or compensation renders emergency medical or non-medical care or assistance at the scene of an accident to the victim or transports such victim to the hospital.”.

46. In section 135 of the principal Act,—

Amendment of section 135.

(i) in sub-section (1),—

(a) in clause (c), the word “and” shall be omitted;

(b) in clause (d), for the word “highways”, the words “highways; and” shall be substituted; and

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

“(e) any other amenities in the interests of the safety and the convenience of the public.”;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) The Central Government may, by notification in the Official Gazette, make one or more schemes to conduct in-depth studies on the causes and analysis of road accidents.”.

Insertion of new section 136A.

47. After section 136 of the principal Act, the following section shall be inserted, namely:—

Electronic monitoring and enforcement of road safety.

‘136A. (1) The State Government shall ensure electronic monitoring and enforcement of road safety in the manner provided under sub-section (2) on national highways, state highways, roads or in any urban city within a State which has a population up to such limits as may be prescribed by the Central Government.

(2) The Central Government shall make rules for the electronic monitoring and enforcement of road safety including speed cameras, closed-circuit television cameras, speed guns, body wearable cameras and such other technology.

Explanation.—For the purpose of this section the expression “body wearable camera” means a mobile audio and video capture device worn on the body or uniform of a person authorised by the State Government.’

Amendment of section 137.

48. In section 137 of the principal Act,—

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

“(aa) providing for the standards of protective headgear and measures for the safety of children below the age of four years riding under section 129;”;

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

“(c) providing for limits of urban city by the State Governments under sub-section (1) of section 136A; and

(d) providing for electronic monitoring and enforcement under sub-section (2) of section 136A.”.

Amendment of section 138.

49. In section 138 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The State Government may, in the interest of road safety, make rules for the purposes of regulating the activities and access of non-mechanically propelled vehicles and pedestrians to public places and national highways:

Provided that in the case of national highways, such rules shall be framed in consultation with the National Highways Authority of India.”.

Omission of Chapter X.

50. Chapter X in the principal Act shall be omitted.

Substitution of new Chapter XI for Chapter XI.

51. For Chapter XI of the principal Act, the following Chapter shall be substituted, namely:—

‘CHAPTER XI

INSURANCE OF MOTOR VEHICLES AGAINST THIRD PARTY RISKS

145. In this Chapter,—

Definitions.

41 of 1999.
57 of 1972.

(a) “authorised insurer” means an insurer for the time being carrying on general insurance business in India and granted a certificate of registration by the Insurance Regulatory and Development Authority of India established under section 3 of the Insurance Regulatory and Development Authority Act, 1999 and any Government insurance fund authorised to do general insurance business under the General Insurance Business (Nationalisation) Act, 1972;

(b) “certificate of insurance” means a certificate issued by an authorised insurer in pursuance of section 147 and includes a cover note complying with such requirements as may be prescribed, and where more than one certificate has been issued in connection with a policy, or where a copy of a certificate has been issued, all those certificates or that copy, as the case may be;

45 of 1860.

(c) “grievous hurt” shall have the same meaning as assigned to it in section 320 of the Indian Penal Code;

(d) “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;

41 of 1999.

(e) “Insurance Regulatory and Development Authority” means the Insurance Regulatory and Development Authority established under section 3 of the Insurance Regulatory and Development Authority Act, 1999;

(f) “policy of insurance” includes certificate of insurance;

(g) “property” includes roads, bridges, culverts, causeways, trees, posts, milestones and baggage of passengers and goods carried in any motor vehicle;

(h) “reciprocating country” means any such country as may on the basis of reciprocity be notified by the Central Government in the Official Gazette to be a reciprocating country for the purposes of this Act;

(i) “third party” includes the Government, the driver and any other co-worker on a transport vehicle.

146. (1) No person shall use, except as a passenger, or cause or allow any other person to use, a motor vehicle in a public place, unless there is in force, in relation to the use of the vehicle by that person or that other person, as the case may be, a policy of insurance complying with the requirements of this Chapter:

Necessity for insurance against third party risks.

6 of 1991.

Provided that in the case of a vehicle carrying, or meant to carry, dangerous or hazardous goods, there shall also be a policy of insurance under the Public Liability Insurance Act, 1991.

Explanation.—For the purposes of this sub-section, a person driving a motor vehicle merely as a paid employee, while there is in relation to the use of the vehicle no such policy in force as is required by this sub-section, shall not be deemed to act in contravention of the sub-section unless he knows or has reason to believe that there is no such policy in force.

(2) The provisions of sub-section (1) shall not apply to any vehicle owned by the Central Government or a State Government and used for purposes not connected with any commercial enterprise.

(3) The appropriate Government may, by order, exempt from the operation of sub-section (1), any vehicle owned by any of the following authorities, namely:—

(a) the Central Government or a State Government, if the vehicle is used for purposes connected with any commercial enterprise;

(b) any local authority;

(c) any State Transport Undertaking:

Provided that no such order shall be made in relation to any such authority unless a fund has been established and is maintained by that authority in such manner as may be prescribed by appropriate Government.

Explanation.—For the purposes of this sub-section, “appropriate Government” means the Central Government or a State Government, as the case may be, and—

(i) in relation to any corporation or company owned by the Central Government or any State Government, means the Central Government or that State Government;

(ii) in relation to any corporation or company owned by the Central Government and one or more State Governments, means the Central Government;

(iii) in relation to any other State Transport Undertaking or any local authority, means that Government which has control over that undertaking or authority.

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

(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 motor vehicle or damage to any property of a third party caused by or arising out of the use of the motor vehicle in a public place;

(ii) against the death of or bodily injury to any passenger of a transport vehicle, except gratuitous passengers of a goods vehicle, caused by or arising out of the use of the motor vehicle in a public place.

Explanation.—For the removal of doubts, it is hereby clarified 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.

(2) Notwithstanding anything contained under any other law for the time being in force, for the purposes of third party insurance related to either death of a person or grievous hurt to a person, the Central Government shall prescribe a base premium and the liability of an insurer in relation to such premium for an insurance policy under sub-section (1) in consultation with the Insurance Regulatory and Development Authority.

(3) A policy shall be of no effect for the purposes of this Chapter unless and until there is issued by the insurer in favour of the person by whom the policy is effected, a certificate of insurance in the prescribed form and containing the prescribed particulars of any condition subject to which the policy is issued and of any other prescribed

matters; and different forms, particulars and matters may be prescribed in different cases.

(4) Notwithstanding anything contained in this Act, a policy of Insurance issued before the commencement of the Motor Vehicles (Amendment) Act, 2019 shall be continued on the existing terms under the contract and the provisions of this Act shall apply as if this Act had not been amended by the said Act.

(5) Where a cover note issued by the insurer under the provisions of this Chapter or the rules or regulations made thereunder is not followed by a policy of insurance within the specified time, the insurer shall, within seven days of the expiry of the period of the validity of the cover note, notify the fact to the registering authority or to such other authority as the State Government may prescribe.

(6) Notwithstanding anything contained in any other law for the time being in force, an insurer issuing a policy of insurance under this section shall be liable to indemnify the person or classes of persons specified in the policy in respect of any liability which the policy purports to cover in the case of that person or those classes of persons.

148. Where, in pursuance of an arrangement between India and any reciprocating country, the motor vehicle registered in the reciprocating country operates on any route or within any area common to the two countries and there is in force in relation to the use of the vehicle in the reciprocating country, a policy of insurance complying with the requirements of the law of insurance for the time being in force in that country, then, notwithstanding anything contained in section 147 but subject to any rules which may be made under section 164B such policy of insurance shall be effective throughout the route or area in respect of which the arrangement has been made, as if the policy of insurance had complied with the requirements of this Chapter.

Validity of policies of insurance issued in reciprocating countries.

149. (1) The insurance company shall, upon receiving information of the accident, either from claimant or through accident information report or otherwise, designate an officer to settle the claims relating to such accident.

Settlement by insurance company and procedure therefor.

(2) An officer designated by the insurance company for processing the settlement of claim of compensation may make an offer to the claimant for settlement before the Claims Tribunal giving such details, within thirty days and after following such procedure as may be prescribed by the Central Government.

(3) If, the claimant to whom the offer is made under sub-section (2),—

(a) accepts such offer,—

(i) the Claims Tribunal shall make a record of such settlement, and such claim shall be deemed to be settled by consent; and

(ii) the payment shall be made by the insurance company within a maximum period of thirty days from the date of receipt of such record of settlement;

(b) rejects such offer, a date of hearing shall be fixed by the Claims Tribunal to adjudicate such claim on merits.

150. (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 164 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 award any sum not

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

exceeding the sum assured payable thereunder, as if that person were the decree holder, 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 its execution is stayed 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:—

(i) a condition excluding the use of the vehicle—

(A) for hire or reward, where the vehicle is on the date of the contract of insurance a vehicle not covered by a permit to ply for hire or reward; or

(B) for organised racing and speed testing; or

(C) for a purpose not allowed by the permit under which the vehicle is used, where the vehicle is a transport vehicle; or

(D) without side-car being attached where the vehicle is a two-wheeled vehicle; or

(ii) a condition excluding driving by a named person or by any person who is not duly licenced or by any person who has been disqualified for holding or obtaining a driving licence during the period of disqualification or driving under the influence of alcohol or drugs as laid down in section 185; or

(iii) a condition excluding liability for injury caused or contributed to by conditions of war, civil war, riot or civil commotion; or

(b) that the policy is void on the ground that it was obtained by nondisclosure of any material fact or by representation of any fact which was false in some material particular; or

(c) that there is non-receipt of premium as required under section 64VB of the Insurance Act, 1938.

4 of 1938.

(3) Where any such judgment or award as is referred to in sub-section (1) is obtained from a court in a reciprocating country and in the case of a foreign judgment is, by virtue of the provisions of section 13 of the Code of Civil Procedure, 1908 conclusive as to any matter adjudicated upon by it, the insurer (being an insurer registered under the Insurance Act, 1938 and whether or not that person is registered under the corresponding law of the reciprocating country) shall be liable to the person entitled to the benefit of the decree in the manner and to the extent specified in sub-section (1), as if the judgment or award were given by a court in India:

5 of 1908.

4 of 1938.

Provided that no sum shall be payable by the insurer in respect of any such 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 concerned of the bringing of the proceedings and the insurer to whom notice is so given is entitled under the corresponding law of the reciprocating country, to be made a party to the proceedings and to defend the action on grounds similar to those specified in sub-section (2).

(4) Where a certificate of insurance has been issued under sub-section (3) of section 147 to the person by whom a policy has been effected, so much of the policy as purports to restrict the insurance of the persons insured thereby, by reference to any condition other than those in sub-section (2) shall, as respects such liabilities as are required to be covered by a policy under clause (b) of sub-section (1) of section 147, be of no effect.

(5) No insurer to whom the notice referred to in sub-section (2) or sub-section (3) has been given shall be entitled to avoid his liability to any person entitled to the benefit of any such judgment or award as is referred to in sub-section (1) or in such judgment as is referred to in sub-section (3) otherwise than in the manner provided for in sub-section (2) or in the corresponding law of the reciprocating country, as the case may be.

(6) If on the date of filing of any claim, 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 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, the name of the insurance company with which it is insured.

Explanation.—For the purposes of this section,—

(a) “award” means an award made by the Claims Tribunal under section 168;

(b) “Claims Tribunal” means a Claims Tribunal constituted under section 165;

(c) “liability covered by the terms of the policy” means the liability which is covered by the policy or which would be so covered but for the fact that the insurer is entitled to avoid or cancel or has avoided or cancelled the policy; and

(d) “material fact” and “material particular” mean, respectively, a fact or particular of such a nature as to influence the judgment of a prudent insurer in determining whether he shall take the risk and, if so, at what premium and on what conditions.

151. (1) Where under any contract of insurance affected in accordance with the provisions of this Chapter, a person is insured against liabilities which he may incur to third party, then—

Rights of third party against insurers on insolvency of insured.

(a) in the event of the person becoming insolvent or making a composition or arrangement with his creditors; or

(b) where the insured person is a company, in the event of a winding-up order being made or a resolution for a voluntary winding-up being passed with respect to the company or of a receiver or manager of the company’s business or undertaking being duly appointed, or of possession being taken by or on behalf of the holders of any debentures secured by a floating charge of any property comprised in or subject to the charge,

if, either before or after that event, any such liability is incurred by the insured person his rights against the insurer under the contract in respect of the liability shall, notwithstanding anything to the contrary in any provision of law, be transferred to and vest in the third party to whom the liability was so incurred.

(2) Where an order for the administration of the estate of a deceased debtor is made according to the law of insolvency, then, if any debt provable in insolvency is owing by the deceased in respect of a liability to a third party against which he was insured under a contract of insurance in accordance with the provisions of this Chapter, the deceased debtor’s rights against the insurer in respect of that liability shall,

notwithstanding anything to the contrary in any provision of law, be transferred to and vest in the person to whom the debt is owing.

(3) Any condition in a policy issued for the purposes of this Chapter purporting, either directly or indirectly, to avoid the policy or to alter the rights of the parties thereunder upon the happening to the insured person of any of the events specified in clause (a) or clause (b) of sub-section (1) or upon the making of an order for the administration of the estate of a deceased debtor according to the law of insolvency, shall be of no effect.

(4) Upon a transfer under sub-section (1) or sub-section (2), the insurer shall be under the same liability to the third party as he would have been to the insured person, but—

(a) if the liability of the insurer to the insured person exceeds the liability of the insured person to the third party, nothing in this Chapter shall affect the rights of the insured person against the insurer in respect of the excess amount; and

(b) if the liability of the insurer to the insured person is less than the liability of the insured person to the third party, nothing in this Chapter shall affect the rights of the third party against the insured person in respect of the balance amount.

152. (1) No person against whom a claim is made in respect of any liability referred to in clause (b) of sub-section (1) of section 147 shall, on demand by or on behalf of the person making the claim, refuse to state whether or not he was insured in respect of that liability by any policy issued under the provisions of this Chapter, or would have been so insured if the insurer had not avoided or cancelled the policy, nor shall he refuse, if he was or would have been so insured, to give such particulars with respect to that policy as were specified in the certificate of insurance issued in respect thereof.

(2) In the event of any person becoming insolvent or making an arrangement with his creditors or in the event of an order being made for the administration of the estate of a deceased person according to the law of insolvency, or in the event of a winding-up order being made or a resolution for a voluntary winding-up being passed with respect to any company or of a receiver or manager of the company's business or undertaking being duly appointed or of possession being taken by or on behalf of the holders of any debentures secured by a floating charge on any property comprised in or subject to the charge, it shall be the duty of the insolvent debtor, personal representative of the deceased debtor or company, as the case may be, or the official assignee or receiver in insolvency, trustee, liquidator, receiver or manager, or person in possession of the property to give, on the request of any person claiming that the insolvent debtor, deceased debtor or company is under such liability to him as is covered by the provision of this Chapter, such information as may reasonably be required by him for the purpose of ascertaining whether any rights have been transferred to and vested in him by section 151 and for the purpose of enforcing such rights, if any, and any such contract of insurance as purports whether directly or indirectly to avoid the contract or to alter the rights of the parties thereunder upon the giving of such information in the events aforesaid, or otherwise to prohibit or prevent the giving thereof in the said events, shall be of no effect.

(3) If, from the information given to any person in pursuance of sub-section (2) or otherwise, he has reasonable ground for supporting that there have or may have been transferred to him under this Chapter rights against any particular insurer, that insurer shall be subject to the same duty as is imposed by the said sub-section on the persons therein mentioned.

Duty to give information as to insurance.

(4) The duty to give the information imposed by this section shall include a duty to allow all contracts of insurance, receipts for premiums, and other relevant documents in the possession or power of the person on whom the duty is so imposed to be inspected and copies thereof to be taken.

153. (1) No settlement made by an insurer in respect of any claim which might be made by a third party in respect of any liability of the nature referred to in clause (b) of sub-section (1) of section 147 shall be valid unless such third party is a party to the settlement.

Settlement between insurers and insured persons.

(2) The Claims Tribunal shall ensure that the settlement is *bona fide* and was not made under undue influence and the compensation is made in accordance with the payment schedule referred to in sub-section (1) of section 164.

(3) Where a person who is insured under a policy issued for the purpose of this Chapter has become insolvent, or where, if such insured person is a company, a winding-up order has been made or a resolution for a voluntary winding-up has been passed with respect to the company, no agreement made between the insurer and the insured person after the liability has been incurred to a third party and after the commencement of the insolvency or winding-up, as the case may be, nor any waiver, assignment or other disposition made by or payment made to the insured person after the commencement aforesaid, shall be effective to defeat the rights transferred to the third party under this Chapter; but those rights shall be the same as if no such agreement, waiver, assignment or disposition or payment has been made.

154. (1) For the purposes of sections 151, 152 and 153, a reference to "liabilities to third parties" in relation to a person insured under any policy of insurance shall not include a reference to any liability of that person in the capacity of insurer under some other policy of insurance.

Saving in respect of sections 151, 152 and 153.

(2) The provisions of sections 151, 152 and 153 shall not apply where a company is wound-up voluntarily merely for the purposes of reconstruction or of an amalgamation with another company.

155. Notwithstanding anything contained in section 306 of the Indian Succession Act, 1925, the death of a person in whose favour a certificate of insurance had been issued, if it occurs after the happening of an event which has given rise to a claim under the provisions of this Chapter, shall not be a bar to the survival of any cause of action arising out of such event against his estate or against the insurer.

Effect of death on certain causes of action.

156. When an insurer has issued a certificate of insurance in respect of a contract of insurance between the insurer and the insured person, then—

Effect of certificate of insurance.

(a) if and so long as the policy described in the certificate has not been issued by the insurer to the insured, the insurer shall, as between himself and any other person except the insured, be deemed to have issued to the insured person a policy of insurance conforming in all respects with the description and particulars stated in such certificate; and

(b) if the insurer has issued to the insured the policy described in the certificate, but the actual terms of the policy are less favourable to persons claiming under or by virtue of the policy against the insurer either directly or through the insured than the particulars of the policy as stated in the certificate, the policy shall, as between the insurer and any other person except the insured, be deemed to be in terms conforming in all respects with the particulars stated in the said certificate.

157. (1) Where a person, in whose favour the certificate of insurance has been issued in accordance with the provisions of this Chapter, transfers to another person the ownership of the motor vehicle in respect of which such insurance was taken

Transfer of certificate of insurance.

together with the policy of insurance relating thereto, the certificate of insurance and the policy described in the certificate shall be deemed to have been transferred in favour of the person to whom the motor vehicle is transferred with effect from the date of its transfer.

Explanation.—For the removal of doubts, it is hereby clarified that such deemed transfer shall include transfer of rights and liabilities of the said certificate of insurance and policy 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.

158. (1) Any person driving a motor vehicle in any public place shall, on being so required by a police officer in uniform authorised in this behalf by the State Government, produce—

(a) the certificate of insurance;

(b) the certificate of registration;

(c) the pollution under control certificate;

(d) the driving licence;

(e) in the case of a transport vehicle, also the certificate of fitness referred to in section 56, and the permit; and

(f) any certificate or authorisation of exemption that has been granted under this Act,

relating to the use of the vehicle.

(2) Where, owing to the presence of a motor vehicle in a public place, an accident occurs involving death or bodily injury to another person, if the driver of the vehicle does not at that time produce the required certificate, driving licence and permit referred to in sub-section (1) to a police officer, he or the owner shall produce the said certificates, licence and permit at the police station at which the driver makes the report required by section 134.

(3) No person shall be liable to conviction for offences under sub-section (1) or sub-section (2) by reason of the failure to produce the required certificate if, within seven days from the date on which its production was required under sub-section (1), or as the case may be, from the date of occurrence of the accident, he produces the certificate at such police station as may have been specified by him to the police officer who required its production or, as the case may be, to the police officer at the site of the accident or to the officer-in-charge of the police station at which he reported the accident:

Provided that except to such extent and with such modifications as may be prescribed, the provisions of this sub-section shall not apply to the driver of a transport vehicle.

(4) The owner of a motor vehicle shall give such information as he may be required by or on behalf of a police officer empowered in this behalf by the State Government for the purpose of determining whether the vehicle was or was not being driven in contravention of section 146 and on any occasion when the driver was required under this section to produce the certificate of insurance.

(5) In this section, the expression “produce the certificate of insurance” means production for examination the relevant certificate of insurance or such other evidence

Production of certain certificates, licence and permit in certain cases.

as may be prescribed to prove that the vehicle was not being driven in contravention of section 146.

159. The police officer shall, during the investigation, prepare an accident information report to facilitate the settlement of claim in such form and manner, within three months and containing such particulars and submit the same to the Claims Tribunal and such other agency as may be prescribed.

Information to be given regarding accident.

160. A registering authority or the officer-in-charge of a police station shall, if so required by a person who alleges that he is entitled to claim compensation in respect of an accident arising out of the use of a motor vehicle, or if so required by an insurer against whom a claim has been made in respect of any motor vehicle, furnish to that person or to that insurer, as the case may be, on payment of the prescribed fee, any information at the disposal of the said authority or the said police officer relating to the identification marks and other particulars of the vehicle and the name and address of the person who was using the vehicle at the time of the accident or was injured by it and the property, if any, damaged in such form and within such time as the Central Government may prescribe.

Duty to furnish particulars of vehicle involved in accident.

161. (1) Notwithstanding anything contained in any other law for the time being in force or any instrument having the force of law, the Central Government shall provide for paying in accordance with the provisions of this Act and the scheme made under sub-section (3), compensation in respect of the death of, or grievous hurt to, persons resulting from hit and run motor accidents.

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

(2) Subject to the provisions of this Act and the scheme made under sub-section (3), 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 two lakh rupees or such higher amount as may be prescribed by the Central Government;

(b) in respect of grievous hurt to any person resulting from a hit and run motor accident, a fixed sum of fifty thousand rupees or such higher amount as may be prescribed by the Central Government.

(3) 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 Central Government or General Insurance Council, 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 under this section.

(4) A scheme made under sub-section (3) may provide that,—

(a) a payment of such sum as may be prescribed by the Central Government as interim relief to any claimant under such scheme;

(b) a contravention of any provision thereof shall be punishable with imprisonment which may extend to two years, or with fine which shall not be less than twenty-five thousand rupees but may extend to five lakh rupees or with both;

(c) 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 Central Government, by such officer or authority to any other officer or authority.

162. (1) Notwithstanding anything contained in the General Insurance Companies (Nationalisation) Act, 1972 or any other law for the time being in force or any instrument having the force of law, the insurance companies for the time being carrying on general

Scheme for golden hour.

insurance business in India shall provide in accordance with the provisions of this Act and the schemes made under this Act for treatment of road accident victims, including during the golden hour.

(2) The Central Government shall make a scheme for the cashless treatment of victims of the accident during the golden hour and such scheme may contain provisions for creation of a fund for such treatment.

Refund in certain cases of compensation paid under section 161.

163. (1) The payment of compensation in respect of the death of, or grievous hurt to, any person under section 161 shall be subject to the condition that if any compensation (hereafter in this sub-section referred to as the other compensation) or other amount in lieu of or by way of satisfaction of a claim for compensation is awarded or paid in respect of such death or grievous hurt under any other provision of this Act or any other law for the time being in force or otherwise, so much of the other compensation or other amount aforesaid as is equal to the compensation paid under section 161, shall be refunded to the insurer.

(2) Before awarding compensation in respect of an accident involving the death of, or bodily injury to, any person arising out of the use of a motor vehicle under any provision of this Act other than section 161 or any other law for the time being in force, the Claims Tribunal, court or other authority awarding such compensation shall verify as to whether in respect of such death or bodily injury compensation has already been paid under section 161 or an application for payment of compensation is pending under that section, and such Tribunal, court or other authority shall—

(a) if compensation has already been paid under section 161, direct the person liable to pay the compensation awarded by it to refund to the insurer, so much thereof as is required to be refunded in accordance with the provisions of sub-section (1);

(b) if an application for payment of compensation is pending under section 161 forward the particulars as to the compensation awarded by it to the insurer.

Explanation.—For the purpose of this sub-section, an application for compensation under section 161 shall be deemed to be pending—

(i) if such application has been rejected, till the date of the rejection of the application; and

(ii) in any other case, till the date of payment of compensation in pursuance of the application.

Payment of compensation in case of death or grievous hurt, etc.

164. (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 grievous hurt due to any accident arising out of the use of motor vehicle, a compensation, of a sum of five lakh rupees in case of death or of two and a half lakh rupees in case of grievous hurt to the legal heirs or the victim, as the case may be.

(2) In any claim for compensation under sub-section (1), the claimant shall not be required to plead or establish that the death or grievous hurt 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 of the vehicle concerned or of any other person.

(3) Where, in respect of death or grievous hurt due to an accident arising out of the use of motor vehicle, compensation has been paid under any other law for the time being in force, such amount of compensation shall be reduced from the amount of compensation payable under this section.

Scheme for interim relief for claimants.

164A. (1) The Central Government, may make schemes for the provision of interim relief to claimants praying for compensation under this Chapter.

(2) A scheme made under sub-section (1) shall also provide for procedure to recover funds disbursed under such scheme from the owner of the motor vehicle, where the claim arises out of the use of such motor vehicle or other sources as may be prescribed by the Central Government.

164B. (1) The Central Government shall constitute a Fund to be called the Motor Vehicle Accident Fund and thereto shall be credited—

Motor Vehicle
Accident
Fund.

(a) payment of a nature notified and approved by the Central Government;

(b) any grant or loan made to the Fund by the Central Government;

(c) the balance of the Fund created under scheme framed under section 163, as it stood immediately before the commencement of the Motor Vehicles (Amendment) Act, 2019; and

(d) any other source of income as may be prescribed by the Central Government.

(2) The Fund shall be constituted for the purpose of providing compulsory insurance cover to all road users in the territory of India.

(3) The Fund shall be utilised for the following, namely:—

(a) treatment of the persons injured in road accidents in accordance with the scheme framed by the Central Government under section 162;

(b) compensation to representatives of a person who died in hit and run motor accident in accordance with schemes framed under section 161;

(c) compensation to a person grievously hurt in a hit and run motor accident in accordance with schemes framed under section 161; and

(d) compensation to such persons as may be prescribed by the Central Government.

(4) The maximum liability amount that shall be paid in each case shall be such as may be prescribed by the Central Government.

(5) In all cases specified in clause (a) of sub-section (3), when the claim of such person becomes payable, where amount has been paid out of this Fund to any person, the same amount shall be deductible from the claim received by such person from the insurance company.

(6) The Fund shall be managed by such authority or agency as the Central Government may specify having regard to the following:—

(a) knowledge of insurance business of the agency;

(b) capability of the agency to manage funds; and

(c) any other criteria as may be prescribed by the Central Government.

(7) The Central Government shall maintain proper accounts and other relevant records and prepare an annual statement of accounts of the Fund in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(8) The accounts of the Fund shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him.

(9) The Comptroller and Auditor-General of India or any person appointed by him in connection with the audit of the accounts of the Fund under this Act shall have the same rights, privileges and authority in connection with such audit of the Government accounts and, in particular, shall have the right to demand the production

of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority.

(10) The accounts of the Fund, as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon, shall be forwarded annually to the Central Government and the Central Government shall cause the same to be laid before each House of the Parliament.

(11) Any scheme framed under sub-section (3) of section 161, as it stood immediately before the commencement of the Motor Vehicles (Amendment) Act, 2019, shall be discontinued and all rights and liabilities accruing thereunder shall be met out of the Fund with effect from the date of commencement of this Act.

164C. (1) The Central Government may make rules for the purposes of carrying into effect, the provisions of this Chapter.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the forms to be used for the purposes of this Chapter including,—

(i) the form of the insurance policy and the particulars it shall contain as referred to in sub-section (3) of section 147;

(ii) the form for making changes in regard to the fact of transfer in the certificate of insurance under sub-section (2) of section 157;

(iii) the form in which the accident information report may be prepared, the particulars it shall contain, the manner and the time for submitting the report to the Claims Tribunal and the other agency under section 159;

(iv) the form for furnishing information under section 160; and

(v) the form of the annual statement of accounts for the Motor Vehicle Accident Fund under sub-section (7) of section 164B;

(b) the making of applications for and the issue of certificates of insurance;

(c) the issue of duplicates to replace certificates of insurance lost, destroyed or mutilated;

(d) the custody, production, cancellation and surrender of certificates of insurance;

(e) the records to be maintained by insurers of policies of insurance issued under this Chapter;

(f) the identification by certificates or otherwise of persons or vehicles exempted from the provisions of this Chapter;

(g) the furnishing of information respecting policies of insurance by insurers;

(h) adopting the provisions of this Chapter to vehicles brought into India by persons making only a temporary stay therein or to vehicles registered in a reciprocating country and operating on any route or within any area in India by applying those provisions with prescribed modifications;

(i) the requirements which a certificate of insurance is required to comply with as referred to in clause (b) of section 145;

(j) administration of the Fund established under sub-section (3) of section 146;

Power of
Central
Government
to make rules.

- (k) the minimum premium and the maximum liability of an insurer under sub-section (2) of section 147;
- (l) the conditions subject to which an insurance policy shall be issued and other matters related thereto as referred to in sub-section (3) of section 147;
- (m) the details of settlement, the time limit for such settlement and the procedure thereof under sub-section (2) of section 149;
- (n) the extent of exemptions and the modifications under the proviso to sub-section (3) of section 158;
- (o) the other evidence under sub-section (5) of section 158;
- (p) such other agency to which the accident information report as referred to in section 159 may be submitted;
- (q) the time limit and fee for furnishing information under section 160;
- (r) the higher amount of compensation in respect of death under clause (a) of sub-section (2) of section 161;
- (s) a sum to be paid as interim relief as referred to in clause (a) of sub-section (4) of section 161;
- (t) the procedure for payment of compensation under sub-section (1) of section 164;
- (u) such other sources from which funds may be recovered for the scheme as referred to in sub-section (2) of section 164A;
- (v) any other source of income that may be credited into the Motor Vehicle Accident Fund under sub-section (1) of section 164B;
- (w) the persons to whom compensation may be paid under clause (d) of sub-section (3) of section 164B;
- (x) the maximum liability amount under sub-section (4) of section 164B;
- (y) the other criteria under clause (c) of sub-section (6) of section 164B;
- (z) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by rules.

164D. (1) The State Government may make rules for the purposes of carrying into effect, the provisions of this Chapter other than the matters specified in section 164C. Power of State Government to make rules.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the other authority under sub-section (5) of section 147; and
- (b) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made by rules.”.

52. In section 165 of the principal Act, in the *Explanation*, for the words, figures and letter "section 140 and section 163A", the word and figures "section 164" shall be substituted. Amendment of section 165.

53. In section 166 of the principal Act,—

(i) in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that where a person accepts compensation under section 164 in accordance with the procedure provided under section 149, his claims petition before the Claims Tribunal shall lapse.”.

Amendment of section 166.

(ii) in sub-section (2), the proviso shall be omitted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) No application for compensation shall be entertained unless it is made within six months of the occurrence of the accident.”.

(iv) in sub-section (4), for the words, brackets and figures "sub-section (6) of section 158", the word and figures "section 159" shall be substituted;

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

“(5) Notwithstanding anything in this Act or any other law for the time being in force, the right of a person to claim compensation for injury in an accident shall, upon the death of the person injured, survive to his legal representatives, irrespective of whether the cause of death is relatable to or had any nexus with the injury or not.”.

Amendment
of section
168.

54. In section 168 of the principal Act, in sub-section (1),—

(i) for the word and figures “section 162”, the word and figures “section 163” shall be substituted;

(ii) the proviso shall be omitted.

Amendment
of section
169.

55. In section 169 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) For the purpose of enforcement of its award, the Claims Tribunal shall also have all the powers of a Civil Court in the execution of a decree under the Code of Civil Procedure, 1908, as if the award were a decree for the payment of money passed by such court in a civil suit.”.

5 of 1908.

Amendment
of section
170.

56. In section 170 of the principal Act, for the word and figures “section 149” the word and figures “section 150” shall be substituted.

Amendment
of section
173.

57. In section 173 of the principal Act, in sub-section (2), for the words “ten thousand”, the words “one lakh” shall be substituted.

Amendment
of section
177.

58. In section 177 of the principal Act, for the words “one hundred rupees” and “three hundred rupees”, the words “five hundred rupees” and “one thousand and five hundred rupees” shall respectively be substituted.

Insertion of
section 177A.

59. After section 177 of the principal Act, the following section shall be inserted, namely:—

“177A. Whoever contravenes the regulations made under section 118, shall be punishable with fine which shall not be less than five hundred rupees, but may extend to one thousand rupees.”.

Penalty for
contravention
of regulations
under section
118.

Amendment
of section
178.

60. In section 178 of the principal Act, in sub-section (3), in clause (b), for the words “two hundred rupees”, the words “five hundred rupees” shall be substituted.

Amendment
of section
179.

61. In section 179 of the principal Act,—

(i) in sub-section (1), for the words "five hundred rupees", the words “two thousand rupees” shall be substituted;

(ii) in sub-section (2), for the words "five hundred rupees", the words “two thousand rupees” shall be substituted.

- 62.** In section 180 of the principal Act, for the words "which may extend to one thousand rupees", the words "of five thousand rupees" shall be substituted. Amendment of section 180.
- 63.** In section 181 of the principal Act, for the words "which may extend to five hundred rupees", the words "of five thousand rupees" shall be substituted. Amendment of section 181.
- 64.** In section 182 of the principal Act,—
- (i) in sub-section (1), for the words "which may extend to five hundred rupees", the words "of ten thousand rupees" shall be substituted;
- (ii) in sub-section (2), for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted. Amendment of section 182.
- 65.** For section 182A of the principal Act, the following sections shall be substituted, namely:—
- "182A. (1) Whoever, being a manufacturer, importer or dealer of motor vehicles, sells or delivers or alters or offers to sell or deliver or alter, a motor vehicle that is in contravention of the provisions of Chapter VII or the rules and regulations made thereunder, shall be punishable with imprisonment for a term which may extend to one year, or with fine of one lakh rupees per such motor vehicle or with both:
- Provided that no person shall be convicted under this section if he proves that, at the time of sale or delivery or alteration or offer of sale or delivery or alteration of such motor vehicle, he had disclosed to the other party the manner in which such motor vehicle was in contravention of the provisions of Chapter VII or the rules and regulations made thereunder. Substitution of new section for section 182A.
Punishment for offences relating to construction, maintenance, sale and alteration of motor vehicles and components.
- (2) Whoever, being a manufacturer of motor vehicles, fails to comply with the provisions of Chapter VII or the rules and regulations made thereunder, shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to one hundred crore rupees or with both.
- (3) Whoever, sells or offers to sell, or permits the sale of any component of a motor vehicle which has been notified as a critical safety component by the Central Government and which does not comply with Chapter VII or the rules and regulations made thereunder shall be punishable with imprisonment for a term which may extend to one year or with fine of one lakh rupees per such component or with both.
- (4) Whoever, being the owner of a motor vehicle, alters a motor vehicle, including by way of retrofitting of motor vehicle parts, in a manner not permitted under the Act or the rules and regulations made thereunder shall be punishable with imprisonment for a term which may extend to six months, or with fine of five thousand rupees per such alteration or with both.
- 182B. Whoever contravenes the provisions of section 62A, shall be punishable with fine which shall not be less than five thousand rupees, but may extend to ten thousand rupees." Punishment for contravention of section 62A.
- 66.** In section 183 of the principal Act,—
- (i) in sub-section (1),—
- (a) after the words "Whoever drives", the words "or causes any person who is employed by him or subjects someone under his control to drive" shall be inserted;
- (b) for the words "with fine which extend to four 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 one thousand rupees", the following shall be substituted, namely:—

“in the following manner, namely:—

(i) where such motor vehicle is a light motor vehicle with fine which shall not be less than one thousand rupees but may extend to two thousand rupees;

(ii) where such motor vehicle is a medium goods vehicle or a medium passenger vehicle or a heavy goods vehicle or a heavy passenger vehicle with fine which shall not be less than two thousand rupees, but may extend to four thousand rupees; and

(iii) for the second or any subsequent offence under this sub-section the driving licence of such driver shall be impounded as per the provisions of the sub-section (4) of section 206.”.

(ii) sub-section (2) shall be omitted.

(iii) in sub-section (3), after the word "mechanical", the words "or electronic" shall be inserted.

(iv) in sub-section (4), for the word, brackets and figure “sub-section (2)”, the word, brackets and figure “sub-section (1)” shall be substituted.

Amendment
of section
184.

67. In section 184 of the principal Act,—

(i) after the words “dangerous to the public”, the words “or which causes a sense of alarm or distress to the occupants of the vehicle, other road users, and persons near roads,” shall be inserted;

(ii) for the words “which may extend to six months or with fine which may extend to one thousand rupees”, the words “which may extend to one year but shall not be less than six months or with fine which shall not be less than one thousand rupees but may extend to five thousand rupees, or with both” shall be substituted;

(iii) for the words “which may extend to two thousand rupees”, the words “of ten thousand rupees” shall be substituted;

(iv) the following *Explanation* shall be inserted, namely:—

“*Explanation.*—For the purpose of this section,—

(a) jumping a red light;

(b) violating a stop sign;

(c) use of handheld communications devices while driving;

(d) passing or overtaking other vehicles in a manner contrary to law;

(e) driving against the authorised flow of traffic; or

(f) driving in any manner that falls far below what would be expected of a competent and careful driver and where it would be obvious to a competent and careful driver that driving in that manner would be dangerous,

shall amount to driving in such manner which is dangerous to the public.”.

Amendment
of section
185.

68. In section 185 of the principal Act,—

(i) in clause (a), after the words “breath analyser,”, the words “or in any other test including a laboratory test,” shall be inserted;

(ii) for the words “which may extend to two thousand rupees”, the words “of ten thousand rupees” shall be substituted;

(iii) the words “if committed within three years of the commission of the previous similar offence,” shall be omitted;

(iv) for the words “which may extend to three thousand rupees”, the words “of fifteen thousand rupees” shall be substituted;

(v) for the *Explanation*, the following *Explanation* shall be substituted, namely:—

Explanation.—For the purposes of this section, the expression “drug” means any intoxicant other than alcohol, natural or synthetic, or any natural material or any salt, or preparation of such substance or material as may be notified by the Central Government under this Act and includes a narcotic drug and psychotropic substance as defined in clause (xiv) and clause (xxiii) of section 2 of the Narcotic Drugs and Psychotropic Substances Act, 1985.’

61 of 1985.

69. In section 186 in the principal Act, for the words “two hundred rupees” and “five hundred rupees”, the words “one thousand rupees” and “two thousand rupees” shall respectively be substituted. Amendment
of section
186.

70. In section 187 of the principal Act,— Amendment
of section
187.

(i) for the brackets and letter “(c)” the brackets and letter “(a)” shall be substituted;

(ii) for the words “three months”, the words “six months” shall be substituted;

(iii) for the words “which may extend to five hundred rupees”, the words “of five thousand rupees” shall be substituted;

(iv) for the words “six months”, the words “one year” shall be substituted; and

(v) for the words “which may extend to one thousand rupees”, the words “of ten thousand rupees” shall be substituted.

71. In section 189 of the principal Act,— Amendment
of section
189.

(i) for the words “one month”, the words “three months” shall be substituted;

(ii) for the words “which may extend to five hundred rupees”, the words “of five thousand rupees” shall be substituted;

(iii) after the words “with both”, the words “and for a subsequent offence shall be punishable with imprisonment for a term which may extend to one year, or with fine of ten thousand rupees; or with both.” shall be inserted.

72. In section 190 of the principal Act,— Amendment
of section
190.

(i) in sub-section (1),—

(a) for the words “which may extend to two hundred and fifty rupees”, the words “of one thousand five hundred rupees” shall be substituted;

(b) for the words “which may extend to one thousand rupees”, the words “of five thousand rupees” shall be substituted; and

(c) after the words “with both”, the words “and for a subsequent offence shall be punishable with imprisonment for a term which may extend to six months, or with a fine of ten thousand rupees for bodily injury or damage to property” shall be inserted.

(ii) in sub-section (2),—

(a) for the words “a fine of one thousand rupees”, the words “imprisonment for a term which may extend to three months, or with fine which may extend to

ten thousand rupees or with both and he shall be disqualified for holding licence for a period of three months” shall be substituted; and

(b) for the words “a fine of two thousand rupees”, the words “imprisonment for a term which may extend to six months, or with fine which may extend to ten thousand rupees or with both” shall be substituted;

(iii) in sub-section (3),—

(a) for the words “which may extend to three thousand rupees”, the words “with a fine of ten thousand rupees and he shall be disqualified for holding licence for a period of three months” shall be substituted; and

(b) for the words “which may extend to five thousand rupees”, the words “of twenty thousand rupees” shall be substituted.

Omission of section 191.

73. Section 191 of the principal Act shall be omitted.

Amendment of section 192.

74. In section 192 of the principal Act, the following *Explanation* shall be inserted, namely:—

“*Explanation.*—Use of a motor vehicle in contravention of the provisions of section 56 shall be deemed to be a contravention of the provisions of section 39 and shall be punishable in the same manner as provided in sub-section (1).”.

Amendment of section 192A.

75. In section 192A of the principal Act, in sub-section (1),—

(i) after the words “for the first offence with”, the words “imprisonment for a term which may extend to six months and” shall be inserted;

(ii) for the words “which may extend to five thousand rupees but shall not be less than two thousand rupees”, the words “of ten thousand rupees” shall be substituted;

(iii) for the words “three months”, the words “six months” shall be substituted;

(iv) for the words “which may extend to ten thousand rupees but shall not be less than five thousand rupees”, the words “of ten thousand rupees” shall be substituted.

Insertion of new section 192B.

76. After section 192A of the principal Act, the following section shall be inserted, namely:—

“192B. (1) Whoever, being the owner of a motor vehicle, fails to make an application for registration of such motor vehicle under sub-section (1) of section 41 shall be punishable with fine of five times the annual road tax or one-third of the lifetime tax of the motor vehicle whichever is higher.

(2) Whoever, being a dealer, fails to make an application for the registration of a new motor vehicle under the second proviso to sub-section (1) of section 41 shall be punishable with fine of fifteen times the annual road tax or the lifetime tax of the motor vehicle whichever is higher.

(3) Whoever, being the owner of a motor vehicle, obtains a certificate of registration for such vehicle on the basis of documents which were, or by representation of facts which was, false in any material particular, or the engine number or the chassis number embossed thereon are different from such number entered in the certificate of registration shall be punishable with imprisonment for a term which shall not be less than six months but may extend to one year and with fine equal to ten times the amount of the annual road tax or two-third the lifetime tax of the motor vehicle, whichever is higher.

Offences relating to registration.

(4) Whoever, being a dealer, obtains a certificate of registration for such vehicle on the basis of documents which were, or by representation of facts which was, false in any material particular, or the engine number or the chassis number embossed thereon are different from such number entered in the certificate of registration shall be punishable with imprisonment for a term which shall not be less than six months but may extend to one year and with fine equal to ten times the amount of annual road tax or two-third the lifetime tax of the motor vehicle, whichever is higher.”.

77. In the principal Act,—

Amendment
of section
193.

(A) in section 193, in the marginal heading, for the words "agents and canvassers", the words "agents, canvassers and aggregators" shall be substituted;

(B) section 193 shall be numbered as sub-section (I) thereof, and—

(i) in sub-section (I) as so numbered,—

(a) for the words “which may extend to one thousand rupees”, the words “of one thousand rupees” shall be substituted;

(b) for the words “which may extend to two thousand rupees”, the words “of two thousand rupees” shall be substituted;

(ii) after sub-section (I) as so numbered, the following sub-sections shall be inserted, namely:—

“(2) Whoever engages himself as an aggregator in contravention of the provisions of section 93 or of any rules made thereunder shall be punishable with fine up to one lakh rupees but shall not be less than twenty-five thousand rupees.

(3) Whoever, while operating as an aggregator contravenes a condition of the licence granted under sub-section (I) of section 93, not designated by the State Government as a material condition, shall be punishable with fine of five thousand rupees.”.

78. In section 194 of the principal Act,—

Amendment
of section
194.

(i) in sub-section (I),—

(a) the word “minimum” shall be omitted;

(b) for the words “of two thousand rupees and an additional amount of one thousand rupees per tonne of excess load”, the words “of twenty thousand rupees and an additional amount of two thousand rupees per tonne of excess load” shall be substituted;

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

“Provided that such motor vehicle shall not be allowed to move before such excess load is removed or is caused or allowed to be removed by the person in control of such motor vehicle.”;

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

“(IA) Whoever drives a motor vehicle or causes or allows a motor vehicle to be driven when such motor vehicle is loaded in such a manner that the load or any part thereof or anything extends laterally beyond the side of the body or to the front or to the rear or in height beyond the permissible limit shall be punishable with a fine of twenty thousand rupees, together with the liability to pay charges for off-loading of such load:

Provided that such motor vehicle shall not be allowed to move before such load is arranged in a manner such that there is no extension of the load

laterally beyond the side of the body or to the front or to the rear or in height beyond the permissible limit:

Provided further that nothing in this sub-section shall apply when such motor vehicle has been given an exemption by the competent authority authorised in this behalf, by the State Government or the Central Government, allowing the carriage of a particular load.";

(iii) in sub-section (2), for the words, "which may extend to three thousand rupees", the words "of forty thousand rupees" shall be substituted.

79. After section 194 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 194A, 194B, 194C, 194D, 194E and 194F.

Carriage of excess passengers.

"194A. Whoever drives a transport vehicle or causes or allows a transport vehicle to be driven while carrying more passengers than is authorised in the registration certificate of such transport vehicle or the permit conditions applicable to such transport vehicle shall be punishable with a fine of two hundred rupees per excess passenger:

Provided that such transport vehicle shall not be allowed to move before the excess passengers are off-loaded and an alternative transport is arranged for such passengers.

Use of safety belts and the seating of children.

194B. (1) Whoever drives a motor vehicle without wearing a safety belt or carries passengers not wearing seat belts shall be punishable with a fine of one thousand rupees:

Provided that the State Government, may by notification in the Official Gazette, exclude the application of this sub-section to transport vehicles to carry standing passengers or other specified classes of transport vehicles.

(2) Whoever drives a motor vehicle or causes or allows a motor vehicle to be driven with a child who, not having attained the age of fourteen years, is not secured by a safety belt or a child restraint system shall be punishable with a fine of one thousand rupees.

Penalty for violation of safety measures for motor cycle drivers and pillion riders.

194C. Whoever drives a motor cycle or causes or allows a motor cycle to be driven in contravention of the provisions of section 128 or the rules or regulations made thereunder shall be punishable with a fine of one thousand rupees and he shall be disqualified for holding licence for a period of three months.

Penalty for not wearing protective headgear.

194D. Whoever drives a motor cycle or causes or allows a motor cycle to be driven in contravention of the provisions of section 129 or the rules or regulations made thereunder shall be punishable with a fine of one thousand rupees and he shall be disqualified for holding licence for a period of three months.

Failure to allow free passage to emergency vehicles.

194E. Whoever while driving a motor vehicle fails to draw to the side of the road, on the approach of a fire service vehicle or of an ambulance or other emergency vehicle as may be specified by the State Government, shall be punishable with imprisonment for a term which may extend to six months, or with a fine of ten thousand rupees or with both.

Use of horns and silence zones.

194F. Whoever—

(a) while driving a motor vehicle—

(i) sounds the horn needlessly or continuously or more than necessary to ensure safety, or

(ii) sounds the horn in an area with a traffic sign prohibiting the use of a horn, or

(b) drives a motor vehicle which makes use of a cut-out by which exhaust gases are released other than through the silencer,

shall be punishable with a fine of one thousand rupees and for a second or subsequent offence with a fine of two thousand rupees.”.

80. Section 195 of the principal Act shall be omitted.

Omission of section 195.

81. In section 196 of the principal Act,—

Amendment of section 196.

(i) after the words “shall be punishable”, the words “for the first offence” shall be inserted;

(ii) for the words “which may extend to one thousand rupees”, the words “of two thousand rupees,” shall be substituted; and

(iii) after the words "with both", the words ", and for a subsequent offence shall be punishable with imprisonment for a term which may extend to three months, or with fine of four thousand rupees, or with both." shall be inserted.

82. In section 197 of the principal Act,—

Amendment of section 197.

(i) in sub-section (1), for the words “which may extend to five hundred rupees”, the words “of five thousand rupees” shall be substituted;

(ii) in sub-section (2), for the words “which may extend to five hundred rupees”, the words “of five thousand rupees” shall be substituted.

83. In section 198 of the principal Act, for the words “with fine which may extend to one hundred rupees”, the words “with fine of one thousand rupees” shall be substituted.

Amendment of section 198.

84. After section 198 of the principal act, the following section shall be inserted, namely:—

Insertion of new section 198A

'198A. (1) Any designated authority, contractor, consultant or concessionaire responsible for the design or construction or maintenance of the safety standards of the road shall follow such design, construction and maintenance standards, as may be prescribed by the Central Government from time to time.

Failure to comply with standards for road design, construction and maintenance.

(2) Where failure on the part of the designated authority, contractor, consultant or concessionaire responsible under sub-section (1) to comply with standards for road design, construction and maintenance, results in death or disability, such authority or contractor or concessionaire shall be punishable with a fine which may extend to one lakh rupees and the same shall be paid to the Fund constituted under section 164B.

(3) For the purposes of sub-section (2), the court shall in particular have regard to the following matters, namely:—

(a) the characteristics of the road, and the nature and type of traffic which was reasonably expected to use it as per the design of road;

(b) the standard of maintenance norms applicable for a road of that character and use by such traffic;

(c) the state of repair in which road users would have expected to find the road;

(d) whether the designated authority responsible for the maintenance of the road knew, or could reasonably have been expected to know, that the condition of the part of the road to which the action relates was likely to cause danger to the road users;

(e) whether the designated authority responsible for the maintenance of the road could not reasonably have been expected to repair that part of the road before the cause of action arose;

(f) whether adequate warning notices through road signs, of its condition had been displayed; and

(g) such other matters as may be prescribed by the Central Government.

Explanation.—For the purposes of this section, the term “contractor” shall include sub-contractors and all such persons who are responsible for any stage in the design, construction and maintenance of a stretch of road.’.

85. After section 199 of the principal Act, the following sections shall be inserted, namely:—

Insertion of
new sections
199A and
199B.

Offences by
juveniles.

“199A. (1) Where an offence under this Act has been committed by a juvenile, the guardian of such juvenile or the owner of the motor vehicle shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly:

Provided that nothing in this sub-section shall render such guardian or owner liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

Explanation.—For the purposes of this section, the Court shall presume that the use of the motor vehicle by the juvenile was with the consent of the guardian of such juvenile or the owner of the motor vehicle, as the case may be.

(2) In addition to the penalty under sub-section (1), such guardian or owner shall be punishable with imprisonment for a term which may extend to three years and with a fine of twenty-five thousand rupees.

(3) The provisions of sub-section (1) and sub-section (2) shall not apply to such guardian or owner if the juvenile committing the offence had been granted a learner's licence under section 8 or a driving licence and was operating a motor vehicle which such juvenile was licensed to operate.

(4) Where an offence under this Act has been committed by a juvenile, the registration of the motor vehicle used in the commission of the offence shall be cancelled for a period of twelve months.

(5) Where an offence under this Act has been committed by a juvenile, then, notwithstanding section 4 or section 7, such juvenile shall not be eligible to be granted a driving licence under section 9 or a learner's licence under section 8 until such juvenile has attained the age of twenty-five years.

(6) Where an offence under this Act has been committed by a juvenile, then such juvenile shall be punishable with such fines as provided in the Act while any custodial sentence may be modified as per the provisions of the Juvenile Justice Act, 2000.

199B. The fines as provided in this Act shall be increased by such amount not exceeding ten per cent. in value of the existing fines, on an annual basis on 1st day of April of each year from the date of commencement of the Motor Vehicles (Amendment) Act, 2019, as may be notified by the Central Government.”.

Revision of fines.

86. In section 200 of the principal Act,—

Amendment of section 200.

(i) in sub-section (1),—

(a) for the words, figures and brackets “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,” the words, brackets, figures and letters “punishable under section 177, section 178, section 179, section 180, section 181, section 182, sub-section (1) or sub-section (3) or sub-section (4) of section 182A, section 182B, sub-section (1) or sub-section (2) of section 183, section 184 only to the extent of use of handheld communication devices, section 186, section 189, sub-section (2) of section 190, section 192, section 192A, section 194, section 194A, section 194B, section 194C, section 194D, section 194E, section 194F, section 196, section 198,” shall be substituted;

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

"Provided that the State Government may, in addition to such amount, require the offender to undertake a period of community service.";

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

“Provided that notwithstanding compounding under this section, such offence shall be deemed to be a previous commission of the same offence for the purpose of determining whether a subsequent offence has been committed:

Provided further that compounding of an offence will not discharge the offender from proceedings under sub-section (4) of section 206 or the obligation to complete a driver refresher training course, or the obligation to complete community service, if applicable.”.

87. In section 201 of the principal Act,—

Amendment of section 201.

(i) in sub-section (1),—

(a) the word “disabled” shall be omitted;

(b) for the words “fifty rupees per hour”, the words “five hundred rupees” shall be substituted;

(c) in the second proviso, for the words “a Government Agency, towing charges”, the words “an agency authorised by the Central Government or State Government, removal charges” shall be substituted;

(ii) in sub-section (2), for the words “towing charges”, the words “removal charges” shall be substituted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) sub-section (1) shall not apply where the motor vehicle has suffered an unforeseen breakdown and is in the process of being removed.”;

(iv) after sub-section (3), the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this section, “removal charges” includes any costs involved in the removal of the motor vehicle from one location to another and also includes any costs related to storage of such motor vehicle.’.

Amendment of section 206.

88. In section 206 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) A police officer or other person authorised in this behalf by the State Government shall, if he has reason to believe that the driver of a motor vehicle has committed an offence under any of sections 183, 184, 185, 189, 190, 194C, 194D, or 194E, seize the driving licence held by such driver and forward it to the licensing authority for disqualification or revocation proceedings under section 19:

Provided that the person seizing the licence shall give to the person surrendering the licence a temporary acknowledgement therefor, but such acknowledgement shall not authorise the holder to drive until the licence has been returned to him.”.

Insertion of new sections 210A, 210B, 210C and 210D.

89. After section 210 of the principal Act, the following sections shall be inserted, namely:—

Power of State Government to increase penalties.

“210A. Subject to conditions made by the Central Government, a State Government, shall, by notification in the Official Gazette, specify a multiplier, not less than one and not greater than ten, to be applied to each fine under this Act and such modified fine, shall be in force in such State and different multipliers may be applied to different classes of motor vehicles as may be classified by the State Government for the purpose of this section.

Penalty for offence committed by an enforcing authority.

210B. Any authority that is empowered to enforce the provisions of this Act shall, if such authority commits an offence under this Act, shall be liable for twice the penalty corresponding to that offence under this Act.

Power of Central Government to make rules.

210C. The Central Government may make rules for—

(a) design, construction and maintenance standards for National highways;

(b) such other factors as may be taken into account by the Court under sub-section (3) of section 198A;

(c) any other matter which is, or has to be, prescribed by the Central Government.

Power of State Government to make rules.

210D. The State Government may make rules for design, construction and maintenance standards for roads other than national highways, and for any other matter which is, or may be, prescribed by the State Government.”.

Insertion of new section 211A.

90. After section 211 of the principal Act, the following section shall be inserted, namely:—

Use of electronic forms and documents.

“211A. (1) Where any provision of this Act or the rules and regulations made thereunder provide for—

(a) the filing of any form, application or any other document with any office, authority, body or agency owned or controlled by the Central Government or the State Government in a particular manner;

(b) the issue or grant of any licence, permit, sanction, approval or endorsement, by whatever name called in a particular manner; or

(c) the receipt or payment of money in a particular manner,

then notwithstanding anything contained in such provision, such requirement shall be deemed to have been satisfied if such filing, issue, grant, receipt or payment, as the case may be, is effected by means of such electronic form as may be prescribed by the Central Government or the State Government, as the case may be.

(2) The Central Government or the State Government shall, for the purpose of sub-section (1), prescribe—

(a) the manner and format in which such electronic forms and documents shall be filed, created or issued; and

(b) the manner or method of payment of any fee or charges for filing, creation or issue of any electronic document under clause (a).”.

91. In section 212 of the principal Act,—

Amendment
of section
212.

(i) in sub-section (4),—

(a) after the words, brackets and figures “the proviso to sub-section (1) of section 112”, the word and figures “section 118” shall be inserted;

(b) after the words, brackets, figures and letter “sub-section (4) of section 163A”, the words, figures and letter “section 164, section 177A” shall be inserted;

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

“(5) Every notification issued by the State Government under section 210A shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House, 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, the House agrees or both Houses agree, as the case may be, in making any modification in the notification or the House agrees or both Houses agree, as the case may be, that the notification should not be issued, the notification 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 the validity of anything previously done under that notification.”.

92. After section 215 of the principal Act, the following sections shall be inserted, namely:—

Insertion of
new sections
215A, 215B,
215C and
215D.

“215A. Notwithstanding anything contained in this Act,—

(a) the Central Government shall have the power to delegate any power or functions that have been conferred upon it by the Act to any public servant or public authority and authorise such public servant or public authority to discharge any of its powers, functions and duties under this Act;

(b) the State Government shall have the power to delegate any power or functions that have been conferred upon it by the Act to any public servant or public authority and authorise such public servant or public authority to discharge any of its powers, functions and duties under this Act.

Power of
Central
Government
and State
Government
to delegate.

215B. (1) The Central Government shall, by notification in the Official Gazette, constitute a National Road Safety Board consisting of a Chairman, such number of representatives from the State Governments, and such other members as it may consider necessary and on such terms and conditions as may be prescribed by the Central Government.

National Road
Safety Board.

(2) The National Board shall render advice to the Central Government or State Government, as the case may be, on all aspects pertaining to road safety and traffic management including, but not limited to,—

- (a) the standards of design, weight, construction, manufacturing process, operation and maintenance of motor vehicles and of safety equipment;
- (b) the registration and licensing of motor vehicles;
- (c) the formulation of standards for road safety, road infrastructure and control of traffic;
- (d) the facilitation of safe and sustainable utilisation of road transport ecosystem;
- (e) the promotion of new vehicle technology;
- (f) the safety of vulnerable road users;
- (g) programmes for educating and sensitising drivers and other road users; and
- (h) such other functions as may be prescribed by the Central Government from time to time.

Power of
Central
Government
to make rules.

215C. (1) The Central Government may make rules for the purposes of carrying into effect the provisions of this Chapter.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the use of electronic forms and means for the filing of documents, issue or grant of licence, permit, sanction, approval or endorsements and the receipt or payment of money as referred to in section 211A;
- (b) the minimum qualifications which the Motor Vehicles Department officers or any class thereof shall be required to possess for appointment as such, as referred to in sub-section (4) of section 213;
- (c) the terms and conditions of appointment of Chairman and Members of the National Road Safety Board under sub-section (1) of section 215B;
- (d) the other functions of the National Road Safety Board under sub-section (2) of section 215B; and
- (e) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made by rules by the Central Government.

Power of State
Government
to make rules.

215D. (1) The State Government may make rules for the purposes of carrying into effect, the provisions of this Chapter, other than the matters specified in section 215C.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the use of electronic forms and means for the filing of documents, issue or grant of licence, permit, sanction, approval or endorsements and the receipt or payment of money as referred to in section 211A;
- (b) the duties and functions of the officers of the Motor Vehicle Department, the powers to be exercised by such officers (including the powers exercisable by police officers under this Act) and the conditions governing the exercise of such powers, the uniform to be worn by them, the authorities to which they shall be subordinate as referred to in sub-section (3) of section 213;
- (c) such other powers as may be exercised by officers of the Motor Vehicles Department as referred to in clause (f) of sub-section (5) of section 213; and

(d) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made by rules by the State Government.”.

93. In the principal Act, the Second Schedule shall be omitted.

Omission of
Second
Schedule.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.