



Ministry of Road Transport & Highways

Rajya Sabha passes Motor Vehicles (Amendment) Bill 2019

Shri Gadkari says the Bill will provide an Efficient, Safe and Corruption Free Transport System in the Country

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The Motor Vehicles (Amendment) Bill, 2019 was passed by Rajya Sabha today. Speaking on the occasion Shri Nitin Gadkari, Minister of Road Transport & Highways and MSME thanked the Members of the House and said that this was a matter of great happiness for him. He said the much needed amendments will improve road safety, facilitate citizens in their dealings with transport departments, strengthen rural transport, public transport and last mile connectivity through automation, computerization and online services. The Minister reiterated that the Bill would, in no way, encroach upon the powers and authorities of the states. He said the Bill would rather empower the states. He added that the Bill will provide an efficient, safe and corruption free transport system in the country.

The Bill has been passed with three Government amendments and will need to go back to Lok Sabha. The Lok Sabha had already passed the Bill on the 23rd of July 2019.

The Motor Vehicles (Amendment) Bill, 2019 is based on the recommendations of the Group of Transport Ministers (GoM) of States constituted by the Ministry of Road Transport & Highways to address the issue of road safety and to improve the facilitation of the citizens while dealing with transport departments. The GoM was headed by Shri. Yoonus Khan, the then Transport Minister of Rajasthan, and had 18 State Transport Ministers from different political parties as members. On the basis of recommendations of the GoM and other pressing requirements, the Ministry of Road Transport & Highways introduced the Motor Vehicle (Amendment) Bill 2016. This, along with amendments, was passed by Lok Sabha on 10th April, 2017. The Bill was passed by Lok Sabha was

introduced in Rajya Sabha and was referred to the Select Committee of the Rajya Sabha on 08.08.2017. The Select Committee presented its report to the Parliament on 22nd December, 2017. The Bill was pending in the Rajya Sabha and lapsed with the dissolution of the 16th Lok Sabha.

The amendments in the Bill mainly focus on issues relating to improving road safety, citizens' facilitation while dealing with the transport department, strengthening rural transport, last mile connectivity and public transport, automation and computerization and enabling online services. Some of the important areas of amendment are as follows:

Road Safety

In the area of road safety, the Bill proposes to increase penalties to act as deterrent against traffic violations. Stricter provisions are being proposed in respect of offences like juvenile driving, drunken driving, driving without licence, dangerous driving, over-speeding, overloading etc. Stricter provisions for helmets have been introduced along with provisions for electronic detection of violations. Penalty regarding motor vehicles is to be increased by 10 % every year..

Proposed Amendments in Various Penalties under Motor Vehicles (Amendment) Bill – 2019

Section		Old Provision / Penalty	New Proposed Provision / Minimum Penalties
177	General	Rs 100	Rs 500
New 177A	Rules of road regulation violation	Rs 100	Rs 500
178	Travel without ticket	RS 200	Rs 500
179	Disobedience of orders of authorities	Rs 500	Rs 2000
180	Unauthorized use of vehicles without licence	Rs 1000	Rs 5000
181	Driving without licence	Rs 500	Rs 5000
182	Driving despite disqualification	Rs 500	Rs 10,000
182 B	Oversize vehicles	New	Rs 5000

183	Over speeding	Rs 400	Rs 1000 for LMV Rs 2000 for Medium passenger vehicle
184	Dangerous driving penalty	Rs 1000	Upto Rs 5000
185	Drunken driving	Rs 2000	Rs 10,000
189	Speeding / Racing	Rs 500	Rs 5,000
192 A	Vehicle without permit	upto Rs 5000	Upto Rs 10,000
193	Aggregators (violations of licencing conditions)	New	Rs 25,000 to Rs 1,00,000
194	Overloading	Rs 2000 and Rs 1000 per extra tonne	Rs 20,000 and Rs 2000 per extra tonne
194 A	Overloading of passengers		Rs 1000 per extra passenger
194 B	Seat belt	Rs 100	Rs 1000
194 C	Overloading of two wheelers	Rs 100	Rs 2000, Disqualification for 3 months for licence
194 D	Helmets	Rs 100	Rs 1000 Disqualification for 3 months for licence
194 E	Not providing way for emergency vehicles	New	Rs 10,000
196	Driving Without Insurance	RS 1000	Rs 2000

199	Offences by Juveniles	New	Guardian / owner shall be deemed to be guilty. Rs 25,000 with 3 yrs imprisonment. For Juvenile to be tried under JJ Act. Registration of Motor Vehicle to be cancelled
206	Power of Officers to impound documents		Suspension of driving licenses u/s 183, 184, 185, 189, 190, 194C, 194D, 194E
210 B	Offences committed by enforcing authorities		Twice the penalty under the relevant section

Vehicle Fitness

The Bill mandates automated fitness testing for vehicles. This would reduce corruption in the transport department while improving the road worthiness of the vehicle. Penalty has been provided for deliberate violation of safety/environmental regulations as well as body builders and spare part suppliers. The process for testing and certification for automobiles is proposed to be regulated more effectively. The testing agencies issuing automobile approvals have been brought under the ambit of the Act and standards will be set for motor vehicle testing institutes. The Bill also provides for compulsory recall of defective vehicles and power to examine irregularities of vehicle companies.

Recall of Vehicles

The Bill allows the central government to order for recall of motor vehicles if a defect in the vehicle may cause damage to the environment, or the driver, or other road users. The manufacturer of the recalled vehicle will be required to: (i) reimburse the buyers for the full cost of the vehicle, or (ii) replace the defective vehicle with another vehicle with similar or better specifications.

Road Safety Board

The Bill provides for a National Road Safety Board, to be created by the central government through a notification. The Board will advise the central and state governments on all aspects of road safety and traffic management including standards of motor vehicles, registration and licensing of vehicles, standards for road safety, and promotion of new vehicle technology.

Protection of Good Samaritan

To help road accident victims, Good Samaritan guidelines have been incorporated in the Bill. The Bill defines a Good Samaritan as a person who renders emergency medical or non-medical assistance to a victim at the scene of an accident, and provides rules to prevent harassment of such a person.

Cashless Treatment during Golden Hour

The Bill provides for a scheme for cashless treatment of road accident victims during golden hour.

Third Party Insurance

The Bill has included the driver's attendant in 3rd Party insurance. There will be no cap on liability of insurers. There will be a 10 time increase in insurance compensation, from Rs 50, 000 to Rs 5 lakh. Claim process has been simplified. Insurance firms have to pay claims within a month, if the victim's family agree to accept Rs 5 lakh compensation. The Bill also increases the minimum compensation for hit and run cases from Rs 25,000 to two lakh rupees in case of death, and from Rs 12,500 to Rs 50,000 in case of grievous injury.

Motor Vehicle Accident Fund

The Bill requires the central government to constitute a Motor Vehicle Accident Fund, to provide compulsory insurance cover to all road users in India. It will be utilised for: treatment of persons injured in road accidents as per the golden hour scheme, compensation to representatives of a person who died in a hit and run accident, compensation to a person grievously hurt in a hit and run accident, and compensation to any other persons as prescribed by the central government. This Fund will be credited through: payment of a nature notified by the central government, a grant or loan made by the central government, balance of the Solatium Fund (existing fund under the Act to provide compensation for hit and run accidents), or any other source as prescribed the central government.

Improving Services using e-Governance

Improving delivery of services to the stakeholders using e-Governance is one of the major focuses of this Bill. This includes

- **Provision for online driving licenses.**

The Bill provides for online Learners Licence with mandatory online identity verification. Driving test will be computerized to avoid fake D.L. The Bill will bring transparency in RTO offices. Commercial licenses will be valid upto five instead of three years. Application for renewal can be made one year prior to or after licence lapses. Driver Training Schools will be opened so that more efficient drivers may be available.

- **Process of Vehicle Registration**

To improve the registration process for new vehicles, registration at the end of the dealer is being enabled and restrictions have been imposed on temporary registration. The Minister has however said that state transport departments can inspect the vehicles at dealers end .

To bring harmony of the registration and licensing process, it is proposed to create National Register for Driving Licence and National Register for Vehicle registration through “Vahan” & “Sarathi” platforms. This will facilitate uniformity of the process across the country.

- **Drivers Training**

The driving training process has been strengthened enabling faster issuance of transport licenses. This will help in reducing the shortage of commercial drivers in the country. More and more drivers training schools and vehicle fitness centres will be opened

To facilitate transport solutions for Divyang, the bottlenecks have been removed in respect of grant of driving licenses as well as alterations in the vehicles to make it fit for their use .

Reforms in Transportation System

Development of integrated Transport System will be possible from the **National Transportation Policy**. This will also enhance the powers of the State Governments, provide better last mile connectivity, rural transport etc.

Taxi aggregators:

The Bill defines aggregators as digital intermediaries or market places which can be used by passengers to connect with a driver for transportation purposes (taxi services). The Bill provides guidelines for Aggregators. At present there are no rules in many states for regulating aggregators, taxis etc.

Reforms in Driving Licences

The Bill provides for online Learners Licence. Provision of online identity verification Aadhar Card has been made mandatory for making Driving Licences and driving test of the applicant will be computerized to avoid fake D.L. The Bill will bring transparency in RTO offices. Commercial licenses will be valid upto five instead of three years. Application for renewal can be made one year prior to or after licence lapses. Driver Training Schools will be opened so that more efficient driver may be available.

Simplification in the process of vehicle registration

The vehicle owners may register their vehicle anywhere in the state and process of registration will be done by dealers. Differently abled persons will get facilities for registration of vehicles. Checking of fitness of vehicles will be computerised and laws for scrapping of old vehicle. Now since the National Register is in place, transfer of vehicle from one city to another will be easier and the stolen vehicles will not get registered.

Reforms in Transportation System

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Recall of vehicles: The Bill allows the central government to order for recall of motor vehicles if a defect in the vehicle may cause damage to the environment, or the driver, or other road users. The manufacturer of the recalled vehicle will be required to: (i) reimburse the buyers for the full cost of the vehicle, or (ii) replace the defective vehicle with another vehicle with similar or better specifications.

National Transportation Policy: The central government may develop a National Transportation Policy, in consultation with state governments. The Policy will: (i) establish a planning framework for road transport, (ii) develop a framework for grant of permits, and (iii) specify priorities for the transport system, among other things.

Offences and penalties: The Bill increases penalties for several offences under the Act. For example, the maximum penalty for driving under the influence of alcohol or drugs has been increased from Rs 2,000 to Rs 10,000. If a vehicle manufacturer fails to comply with motor vehicle standards, the penalty will be a fine of up to Rs 100 crore, or imprisonment of up to one year, or both. If a contractor fails to comply with road design standards, the penalty will be a fine of up to one lakh rupees. The central government may increase fines mentioned under the Act every year by up to 10%.

Taxi aggregators: The Bill defines aggregators as digital intermediaries or market places which can be used by passengers to connect with a driver for transportation purposes (taxi services). These aggregators will be issued licenses by state Further, they must comply with the Information Technology Act, 2000.

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