

THE MOTOR VEHICLES ACT, 1988

INTRODUCTION

The first enactment relating to motor vehicles in India was the Indian Motor Vehicles Act, 1914, which was subsequently replaced by the Motor Vehicles Act, 1939. The Act of 1939 had been amended several times. In spite of several amendments it was felt necessary to bring out a comprehensive legislation keeping in view the changes in the transport technology, pattern of passenger and freight movements, development of the road network in the country and particularly the improved techniques in the motor vehicles management. Various Committees as well as the Law Commission had gone into different aspects of road transport. Several Members of Parliament had also urged for comprehensive review of the Motor Vehicles Act, 1939. A Working Group was, therefore, constituted in January, 1984 to review all the provisions of the Act of 1939. This Working Group took into account the suggestions and recommendations earlier made by various bodies and institutions and made certain recommendations. On the recommendations of the Working Group State Governments were asked to submit their comments. The recommendations made by the Working Group and comments received from the State Governments were discussed at a special meeting of Transport Ministers of all States and Union Territories. Based on the conclusions reached in the meeting of Transport Ministers and suggestions made by the Supreme Court in a case the Motor Vehicles Bill was introduced in the Parliament.

STATEMENT OF OBJECTS AND REASONS

The Motor Vehicles Act, 1939 (4 of 1939), consolidates and amends the law relating to motor vehicles. This has been amended several times to keep it up-to-date. The need was, however, felt that this Act should, now *inter alia*, take into account also changes in the road transport technology, pattern of passenger and freight movements, development of the road network in the country and particularly the improved techniques in the motor vehicles management.

Various Committees like National Transport Policy Committee, National Police Commission, Road Safety Committee, Low Powered Two-wheelers Committee, as also the Law Commission have gone into different aspects of road transport. They have recommended updating, simplification and rationalization of this law. Several Members of Parliament have also urged for comprehensive review of the Motor Vehicles Act, 1939, to make it relevant to the modern-day requirements.

A Working Group was, therefore, constituted in January, 1984 to review all the provisions of the Motor Vehicles Act, 1939, and to submit draft proposals for a comprehensive legislation to replace the existing Act. This Working Group took into account the suggestions and recommendations earlier made by various bodies and institutions like Central Institute of Road Transport, Automotive Research Association of India, and other transport organisations including the manufacturers and the general public. Besides, obtaining comments of State Governments on the recommendations of the Working Group, these were discussed in a specially convened meeting of Transport Ministers of all States and Union Territories. Some of the more important modifications so suggested related for taking care of—

- (a) the fast increasing number of both commercial vehicles and personal vehicles in the country;
- (b) the need for encouraging adoption of higher technology in automotive sector;
- (c) the greater flow of passenger and freight with the least impediments so that islands of isolations are not created leading to regional or local imbalances;
- (d) concern for road safety standards, and pollution-control measures, standards for transportation of hazardous and explosive materials;
- (e) simplification of procedure and policy liberalizations for private sector operations in the road transport field; and
- (f) need for effective ways of tracking down traffic offenders.

The Supreme Court in *M.K. Kunhimohammed v. P.A. Ahmedkutty*, (1987) 4 SCC 284: AIR 1987 SC 2158, has made certain suggestions to raise the limit of compensation payable as a result of motor accidents in respect of death and permanent disablement in the event of there being no proof of fault on the part of the person involved in the accident and also in hit and run motor accidents and to remove certain disparities in the liability of the insurer to pay compensation depending upon the class or type of vehicles involved in the accident. The above suggestions made by the Supreme Court have been incorporated in the Bill.

The proposed legislation has been prepared in the light of the above background. Some of the more important provisions of the Bill provide for the following matters, namely:—

- (a) rationalization of certain definitions with additions of certain new definitions of new types of vehicles;
- (b) stricter procedures relating to grant of driving licences and the period of validity thereof;
- (c) laying down of standards for the components and parts of motor vehicles;
- (d) standards for anti-pollution control devices;
- (e) provision for issuing fitness certificates of vehicles also by the authorised testing stations;
- (f) enabling provision for updating the system of registration marks;
- (g) liberalised schemes for grant of stage carriage permits on non-nationalised routes, All India Tourist Permits and also national permits for goods carriages;
- (h) administration of the Solatium Scheme by the General Insurance Corporation;
- (i) provision for enhanced compensation in cases of “no fault liability” and in “hit and run” motor accidents;
- (j) provision for payment of compensation by the insurer to the extent of actual liability to the victims of motor accidents irrespective of the class of vehicles;
- (k) maintenance of State registers for driving licences and vehicle registration;
- (l) constitution of Road Safety Councils.

The Bill also seeks to provide for more deterrent punishment in the cases of certain offences.

The Notes on clauses explain the provisions of the Bill.

The Bill seeks to achieve the above objectives.

ACT 59 OF 1988

The Motor Vehicles Bill having been passed by both the Houses of Parliament, received the assent of the President on 14th October, 1988. It came into force on 1st day of July, 1989, as The MOTOR VEHICLES ACT, 1988 (59 of 1988).

AMENDING ACTS

1. The Motor Vehicles (Amendment) Act, 1994 (54 of 1994).
2. The Motor Vehicles (Amendment) Act, 2000 (27 of 2000).
3. The Motor Vehicles (Amendment) Act, 2001 (39 of 2001).