



FACULTY OF JURIDICAL SCIENCES

COURSE: LL.B. I st Semester

SUBJECT: LAW OF TORTS

SUBJECT CODE: LLB102

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LECTURE 40

TOPIC: MOTOR VEHICLE ACT, 1988- INSURANCE OF MOTOR VEHICLE AGAINST THIRD PARTY RISK, CLAIM TRIBUNALS, OFFENCES, PENALTIES AND PROCEDURE

Key Features of the bill

Road safety: Bill proposes to **increase penalties** to act as a deterrent against traffic violations.

Compensation for road accident victims: Cashless treatment of road accident victims during the golden hour (first 1 hour after accident). The minimum compensation for death or grievous injury due to hit and run has been moved up substantially to ₹2 lakh and ₹50,000, respectively.

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.

Protection of Good Samaritan: To help road accident victims, Good Samaritan guidelines have been incorporated in the Bill. They will not be liable for any civil or criminal action for any injury to or death of an accident victim, caused due to their negligence in providing assistance to the victim.

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.

Third-party insurance terms are friendlier with no cap on liability of insurers and quicker claims processing.

To **reduce scope for manipulation and corruption** in transport departments, vehicle fitness tests will be automated and driving tests, computerised. Also, the driver training process for commercial driving will be strengthened and more training schools set up.

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.

National Transportation Policy: The central government may develop a National Transportation Policy, in consultation with state governments.

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**.

Road safety Initiatives in India

Ministry of Road Transport and highways took several steps in the past to improve road safety:

National Road Safety Policy outlines various policy measures such as promoting awareness, establishing road safety information database, encouraging safer road infrastructure including application of intelligent transport, enforcement of safety laws etc.

National Road Safety Council as the apex body to take policy decisions in matters of road safety.

A dashboard for road accident data, through which people can access related data and other information both state-wise and the national averages, has been introduced.

Comic books Swachh Safar and Saakshi Yatra have been released, with an aim to create awareness among children about road safety.

VAHAN (an ICT-based solution for vehicle registration) and **SARATHI** (for licensing) app to curb malpractices in issuing licences and vehicle registration.

Setu Bharatam programme to make all national highways free of railway crossings by 2019.

Tamil Nadu model of integrated data-driven road safety initiatives: the Supreme Court-appointed three-member road safety committee led by **Justice (retired) KS Radhakrishnan** praised Tamil Nadu's efforts in reducing fatalities in road accidents. NCRB data reveals that road accident deaths in TN came down in 2018 by 24.39%, the biggest decrease recorded in the country.

Grievance Redressal Procedure

The Grievance Redressal Cell of the Company looks into complaints from policyholders. If the Insured has a grievance that the Insured wishes the Company to redress, the Insured may approach the person nominated as 'Grievance Redressal Officer' with the details of his grievance.

Exercise:

1. What are two different kinds of insurance involved in the damage system?
 - a) Liability insurance
 - b) First Party insurance
 - c) Both of the above
 - d) None of the above

2. Whom does the 'third party' include in Section 145 (g)?
 - a) Government
 - b) Insurer

- c) Claimant
- d) Passer by

3. Third party insurance is compulsory for

- a) Scooter
- b) Truck
- c) Car
- d) All motor vehicle

4. Motor Accident Claim Tribunal provide remedy.

- a) cheaper
- b) speedier
- c) Both (a) and (b)
- d) None of the above

5. Application to the claims tribunal is made under which section?

- a) Section 163
- b) Section 164
- c) Section 165
- d) Section 166