

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4427

ANSWERED ON:20.08.2010

FUNDS FOR ROAD ACCIDENT VICTIMS

Naik Dr. Sanjeev Ganesh;Patil Shri Sanjay Dina ;Rao Shri Sambasiva Rayapati;Sule Supriya

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to set up a fund for road accident victims;
- (b) if so, the details thereof;
- (c) whether the road accident victims are deprived of proper compensation on account of legal complications; and
- (d) if so, the details thereof alongwith the guidelines issued by the Government for providing proper compensation to such road accident victims?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d): The Motor Vehicles Act, 1988 under Chapter XI and XII provides for payment of compensation to the victims of road accidents with reference to their age, earning capacity, cause of the accident etc. The Act also provides for a minimum amount of compensation irrespective of the fact as to who is at fault. The claims relating to victims of road accidents are settled by the Motor Accident Claims Tribunals (MACT) established throughout the country. For 'Hit & Run' cases, accident victims are eligible for compensation through a Special Fund constituted in terms of Section 163 of the Motor Vehicles Act, 1988 called 'Solatium Fund'. A portion of the Gross Written Motor Premium is contributed towards this Fund every year by both Public & Private sector general insurers. As of now there is no proposal to set up any other fund for road accident victims.