GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:2910
ANSWERED ON:06.08.2015
Third Party Insurance
Banerjee Shri Abhishek;Gavit Dr. Heena Vijaykumar;Kher Smt. Kirron;Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;Radhakrishnan Shri T.;Sule Smt. Supriya Sadanand

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government proposes to limit compensation through third party insurance in case of death in road accidents;

(b) if so, the details thereof along with the reasons therefor;

(c) whether there is any proposal to compensate victims of hit and run cases;

(d) if so, the details thereof; and

(e) the initiatives taken/being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI PON. RADHAKRISHNAN)

(a) & (b) Ministry of Road Transport and Highways is working on a proposal to replace the "Motor Vehicles Act, 1988" with a new Act namely "The Road Transport and Safety Bill, 2015" which inter alia proposes enhanced compensation through third party insurance and structured formula basis. In the proposed Bill, the maximum liability for minimum premium has been proposed for such sum not exceeding twenty-five lakh rupee as the Central Government may, by notification, specify.

(c) to (e) In the proposed Road Transport and Safety Bill, 2015, it has been proposed in respect of the death of any person resulting from a hit and run motor vehicle crash, a fixed sum not exceeding twenty-five lakhs as may be prescribed by the Central Government and in respect of grievous hurt to any person resulting from a hit and run motor vehicle crash, a fixed sum not exceeding ten lakhs as may be prescribed by the Central Government. The draft Cabinet note for the Bill is being finalised in consultation with the concerned Ministries/Departments and State Governments.

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