

Motor Vehicle Act: Issues and Challenges in India

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Abstract

India's transport sector is large and diverse. It caters to the transport needs of 1.3 billion people. Owning a vehicle is no longer a dream for the natives of India. It has become a basic necessity in life which has resulted in rise in the demand for travel. At the same time, the rapidly escalating levels of motor vehicle ownership and its use has resulted in an alarming increase of negative externalities such as road congestion, air pollution, road fatalities and social issues of equity and security. Indiscipline on the road may result in increase in the road accidents. Therefore, keeping this in mind, various amendments were made in Motor Vehicles Act. Thus, this paper throws light on such amendments. These amendments are essential in the overall interest of securing road safety and maintaining a clean environment. Motor insurance has been made a mandatory requirement for any vehicle, which facilitates protection against the various hazards and perils. India's growing economy has witnessed a rise in demand for transport infrastructure and services. Efficient and reliable urban transport systems are crucial to sustain high economic growth that account for 90% of government revenues. In the coming years, as India becomes more and more urbanized, urban areas will play a critical role in sustaining high rates of economic growth which will largely depend upon the effectiveness of its transport systems. Poor transport systems stifle economic growth and development, and the net effect may be a loss of competitiveness in both domestic as well as international markets. Hence, this paper also provides an overview of urban transport problems and challenges in India. Moreover, it explores the literature review about the implementation of motor vehicle act in India. Finally, the paper concludes by proposing succinct suggestions to improve urban transportation in India for successful implementation of motor vehicle act.

KEY WORDS: Motor Vehicle, Amendments, Urban Transport, Issues, Challenges

INTRODUCTION

With the development of civilization, act of negligence has become actionably wrong. The number of people who get killed or maimed in motor vehicle accidents is growing day by day. The main source of succour to such hapless people and their dependents is the compensation that they are entitled to receive under law. Accountable negligence consist the neglect of use of ordinary care or skill towards a person or his property due to which the victim may suffer. Thus, negligence accompanied with losses to the other party give rise to an action.¹ In order to give effective rights to the person injured or expired in an accident, Fatal Accidents Act, 1885 was enacted in India. This Act provided only a

¹Kunal Mehta, "An Analyse of Law Relating to Accidents Claim in India", Accessed on Website, www.legalservicesindia.com

procedure and a right of named legal heirs to claim compensation from the person committing negligence. This enactment has worked in India for a comfortable long period. Because of increase in automation and consequential losses of life and property in accident, it was considered that to give relief to the victims of accident claims, an effective law should be brought in. To facilitate this, provisions have been inserted for compulsory third party insurance and to provide a machinery of adjudication of claim in Motor Vehicle Act, and Motor Accident Claims Tribunal was created. Initially the liability was restricted to a particular sum but after 1982 the liability of the Insurance Company has been made unlimited and even the defences of the Insurance Companies have been restricted so as to ensure payment of compensation to third parties. In the year 1982, a new concept of providing interim compensation on 'No Fault' basis have been introduced by addition of Section 92(A) to 92(E). By the same amendment, relief has also been given to those persons who expire by hit and run accidents, where the offending vehicles are not identified.² The Supreme Court has passed various judgments in the recent past, which have restricted the statutory defences to the Insurance Company to a greater extent as law relating to burden of proof have been totally changed. Limited defences as to not holding valid driving license, use of vehicle for hire and reward, use of transport vehicle for the purpose not allowed by permit are required to be proved in so stringent manner that insurer are not getting advantage of these defences.

Motor accident compensation law has been in a state of flux. The legislature amended the Motor Vehicles Act, 1939 by inserting several new sections. Over the years, many more amendments followed and in 1988, a new Motor Vehicles Act replaced the old one. Over the years, the judiciary has not only been called upon from time to time to interpret these statutory provisions and apply them to different facts and situations, but also to lay down the legal principles for assessing compensation. The Motor Vehicles Act, 1988 does not provide any guidelines for the identification of the items of loss to be compensated; nor does it lay down any criteria for the computation of the quantum of compensation for each item of loss. Therefore, there was again amendment in the Act.

Amendments in Motor Vehicles Act

The first enactment relating to motor vehicles in India was the Indian Motor Vehicles Act, 1914, which was subsequently replaced by the Motor Vehicle 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. Hence, the Motor Vehicles Act, has been amended as follows:-

I. Pre – 1988 Position: Before, the Motor Vehicle Act, 1988 came in to existence, the Motor Vehicles Act, 1939 was applicable for all type of Motor Accidents. The Motor Vehicles Act, 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

² Ibid.

Act should; now inter alia, take into account also changes in the road transport technology, pattern of passenger and freight movements, developments, of the road network in the country and particularly the improved techniques in the motor vehicles management.

II. The Motor Vehicles Act, 1988: In 1988, a new Motor Vehicle Act has been introduced. Chapter 10 of the new Act, provides for interim award. Chapter 11 provides for insurance of motor vehicle against third party risk and Chapter 12 provides for the constitution of Claims Tribunal and adjudication of claim and related matters. The Supreme Court has held number of times that this is welfare legislation and the interpretation of provision of this law is required to be made so as to help the victim. The Supreme Court in *M. K. Kunhimohammed vs. P.A. Ahmedkutty*, 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.

III. The Motor Vehicles (Amendment) Act, 1994: The Act was amended by the Motor Vehicles (Amendment) Act, 1994, which came in to effect from 14.11.1994. After the coming into force of the Motor Vehicles Act, 1988, focus was on protecting consumers' interest in transport sector and concern for road safety standards, transport of hazardous chemicals and pollution control. The amendment in the year 1994, included (i) Rationalization of the definition of the various categories of motor vehicles. (ii) Mandating of a minimum one year experience of driving a light motor vehicle before a person can be granted a licence for transport vehicle, tightening of norms for drivers transporting dangerous or hazardous goods. (iii) Encouraging use of battery, CNG and solar energy as an auto fuel by exempting vehicles using such fuel from the requirement of permit or fixation of fare by the State Government. (iii) Empowering Central Government to make rule for standardizing components in Motor Vehicles. (iv) Increasing the amount of compensation in the event of death from Rs. 25,000/- to Rs. 50,000/- in respect of no fault liability etc.

IV. Law Commission's 119th Report: The Law Commission in its 119th Report had recommended that every application for a claim be made to the Claims Tribunal having jurisdiction over the area in which the accident occurred or to the Claims Tribunal within the local limits of whose jurisdiction the claimant resides or carries on business or within the local limits of whose jurisdiction the defendant resides, at the option of the claimant.

V. The Motor Vehicles (Amendment) Act 2000: The Act was again amended by the Motor Vehicles (Amendment) Act 2000. Further amendments in the aforesaid Act have become necessary so as to reduce the vehicular pollution and to ensure the safety of the road users. Amendment in the year 2000 included: (i) Authorized use of LPG as an auto fuel. (ii) Buses used by educational institutions brought under the purview of permit regime. (iii) Alterations made in transport vehicle without prior approval of the Registering Authority were barred.

VI. The Motor Vehicles (Amendment) Act, 2001: Third time amendments to this act were brought by the Motor Vehicles (Amendment) Act, 2001. The Motor Vehicles Act,

1988 is a Central legislation through which the road transport is regulated in the country. By the Motor Vehicles (Amendment) Act, 1994, inter alia, amendments were made to make special provisions under sections 66 & 67 so as to provide that vehicles operating on eco-friendly fuels shall be exempted from the requirements of permits and also the owners of such vehicles shall have the discretion to fix fares and freights for carriage of passengers and goods. The intention in bringing the said amendments was to encourage the operation of vehicles with such eco-friendly fuels. Amendment in the year 2001 was necessitated by need to bring the buses plying on CNG within the purview of State Transport Authority in respect of fixation of fares and route permits.

Review of Literature

In **Madhya Pradesh State Road Transport Corporation v. Bhoj Singh (1992)**³ the bus collided against a tree which caused tyre burst in the rear wheel, causing injury to a passenger. The defence was that the tyre was in good condition. The evidence was that the bus was overloaded. It was held that the tyre burst was due to overloading and that the driver was negligent in having the bus overloaded.

In **Satvantkumar, Harjit Singh Vig v. Aarti Jayant Lalwani (2005)**⁴ case it was held by the Double Bench of the Mumbai High Court that the phrase 'has resulted from' occurring in section 140 of the Motor Vehicles Act, 1988 does not require the death to have occurred in the accident itself. The section is attracted even where death is result or the consequence of the accident arising out of a motor vehicle. What is necessary to see is whether the death is the consequence of an accident arising out of use of motor vehicle.

Azam (2005) examined the customers' attitudes towards private and public owned general insurance companies. The study utilized fish begins multi attribute attitude object model to measure overall attitude. T-test was performed to test the hypothesis. The study indicated that among eight salient beliefs customers' perceptions on financial strength, goodwill and office environment are statistically different at 0.001 level, while risk underwriting and client service are different at 0.05 level of significance. The results revealed that customers' favourable perception towards financial strength and goodwill of SBC, while office environment, risk underwriting and client services were favourable for private insurance companies.

Jawaharlal (2005) stated that Motor insurance commands a large slice of miscellaneous insurance business in India. Unfortunately it also has the highest claim ratio due to third party liability, predominately due to commercial vehicles. The advent of private insurers saw a skewed development in the motor portfolio. The more profitable private car and two wheeler business was targeted by the private insurers and the commercial vehicles were targeted to the public sector insurers, who could not refuse to insure against third party risks as they were mandated to insure in terms of the Motor Vehicle Act. They thus opposed DE Tariffing.

³ Madhya Pradesh State Road Transport Corporation v. Bhoj Singh (1992). ACJ 1151 (MP)

⁴ Satvantkumar, Harjit Singh Vig v. Aarti Jayant Lalwani, (2005). (1) ACJ 255 (Mum) DB

Mishra (2005) stated that India's insurance industry has benefited from FDI and since many of the companies need to invest huge amount of funds to increase their reach of distribution, increasing of the FDI cap to 49% would further benefit the industry.

In **R.J. Foujdar Bus Service v. Ganpat Singh (2007)**⁵ where a driver took the bus on the bridge when water was overflowing, the bus was washed away, resulting in death of several passengers. Accident was not an act of God and negligence of driver was writ large.

In **New India Assurance Co. Ltd. v. Sheeja (2007)**⁶ where the driver taken his taxi to workshop and the gas cylinders exploded in the course of repair, the accident was held to have arisen out of use of motor vehicle.

Devasenathipathi, Saleendran, and Shanmugasundaram (2007) compared and rated all the life insurance companies, measured the customer perception, purchase behaviour, consumer awareness regarding life insurance industry. The data has been collected through a questionnaire filled from 500 customers residing in Chennai. The study concluded that the entry of private players brought better service, quicker settlement, greater awareness and more choice.

Dr. A.V. Narasinha Rao (2007) stated that the objective of the motor vehicle insurance is to provide solution to the people who are weak and suffer for no fault of theirs and to fulfil the social obligations of insurance companies. The law should be fine tuned to meet the end of social objectives. There is no doubt that the motor vehicle insurance is aimed to support well accepted principle that, 'the innocent person having no relation to the use of vehicle by someone, but at the same time it should not become a burden to insurance companies and lead them to insolvency.

In **Bipal Bashi Das v. Oriental Insurance Co. Ltd. (2009)**⁷ where the extremists had hired a vehicle causing death of one and injury to other passengers, death was held to have arisen out of use of motor vehicle.

In **Ram Singh v. Anil (2009)**⁸ it was held by the High Court that when occurrence of accident is proved to have arisen out of use of Motor Vehicle, it is not necessary to plead or prove negligence of driver of vehicle under Section 163A.

Gupta (2012) Stated in his book that after liberalization the existing business models of insurance company's financial services have evolved that paved the way for the potential and unconventional entrants to penetrate the financial market through innovative higher product profile and portfolios, resulting in a sudden spurt in the demand of insurance professionals.

Deep Nair (2014) in The Hindu business line expressed that long term motor insurance cover likely three-and five-year validity mooted to tackle large-scale non-renewal of policies. He further mentioned that the high claims ratio resulted in heavy losses for

⁵ R.J. Foujdar Bus Service v. Ganpat Singh (2007). ACJ 1591 (MP) DB

⁶ New India Assurance Co. Ltd. v. Sheeja (2007). ACJ 338 (Ker.) DB

⁷ Bipal Bashi Das v. Oriental Insurance Co. Ltd. (2009) (1) ACC 288 (Gau.) DB.

⁸ Ram Singh v. Anil (2009). ACJ 73 (MP) DB

insurers. He suggested that the insurance regulatory and development authority may allow insurance companies to invest in the recently launched Central public sector enterprises Exchange Traded fund, comprising scrip's of 11 blue-chip state owned firms.

Editorial Bureau (2014) indicate that the third party motor insurance set to increase from April due to death claims in this segment have been increasing steadily: IRDA draft report.⁹

Vijayan, Chairman IRDA (2014) stated that, ultimately banks have to move to a broker channel and there is no distinction between public sector banks and private sector banks. The RBI final will decide which banks will be eligible to become brokers.¹⁰

A look at some of the statistics on road safety presents a very grim picture worldwide and especially in developing countries like India. Road fatalities now leads the list of accidental deaths in India much more than any other such as by drowning, fire, rail or air mishaps. The magnitude of road accidents in India is increasing at an alarming rate. About 60,000 people are killed every year in India and top the world in the number of road fatalities. National level of fatalities per kilometer is 0.025.

Urban Transport Problems

Newspapers in every metro city in India give a daily report of people killed and injured in traffic accidents. As a response to this heightened awareness, NGOs have also come up in many cities to deal with this increasing urban epidemic of death and destruction. Police departments also hold road safety weeks, painting competitions, zero tolerance drives and demand greater powers to fine and punish. This has gone on for the last two decades. However, the killing and the maiming continue unabated. Some of the transport problems being faced in urban areas are:

a) Road congestion: As populations increase, the average travel distances as well as intensity are expected to increase because there is a direct correlation between the two indicators. This trend in trip length and frequency is only expected to increase with increasing income levels, migration, participation of women and a service-oriented economy. As more people travel over longer distances on regular basis for employment and education purposes, will inevitably lead to road congestion.

b) Parking problems: The acute shortage of parking spaces both on and off the streets in Indian cities increases the time spent searching for a parking spot and induces traffic congestion. Available data shows that a high proportion of Indian streets are faced with on-street parking issue (Rye, 2010). This problem is especially acute in smaller, compact Indian cities. Delhi has 14 per cent of road lengths used for on-street parking while Surat has almost 60 per cent of its road lengths blocked by on-street parking. On-street parking is perversely incentivized because it is either free or priced lower than off-street parking. Even if cities invest in multilevel car parks in prime areas, the parking rates are not expected to recover the costs (Rye, 2010).

⁹ IRDA Annual Reports.

¹⁰ Ibid.

Kolkata has the highest parking charges in India and these charges are time and place variable, i.e. higher parking charges in specific commercial zones and the rates increase by the hour. In Kolkata, a car pays Rs. 80 for eight hours of parking during daytime, while in Delhi MCD region, car parking charges are as low as Rs. 10 for up to 10 hours of parking. Even in the densest Indian cities like Mumbai, Kolkata, Chennai and Delhi, cars occupy more space than a family of four (Gauthier, 2012).

In several Indian cities, commercial development of vacant plots has taken place without following systematic planning procedures for access and mixed use. This induces heavy traffic leading to localized congestion and parking issues in the neighbourhood. An issue with unregulated parking is the skirmishes amongst neighbours over parking space. In many cities, there is animosity amongst several neighbours over parking spaces that have resulted in serious injuries and even murder (Roychowdhury, 2013). Unless parking issues are addressed through a systematic planning process and strict enforcement, such issues will only exacerbate over time in Indian cities.

c) Air pollution: The severity of air pollution in Indian cities is judged based on CPCB's (Central Pollution Control Board) air quality classification. According to available air quality data (Kamyotra et al., 2012), of 180 Indian cities, there is a wide variation in the pollution concentration and severity across cities. Cities are considered critically polluted if the levels of criteria pollutants (namely PM10 and NO₂) are more than 1.5 times the standard. Results show that half of the residential areas in cities monitored by CPCB are at critical levels of air pollution (Kamyotra et al., 2012).

According to US-based Health Effects Institute, people residing within 500 metres from roads are exposed to vehicular fumes. The danger is especially pronounced when diesel vehicles are operating, as diesel emissions are known to trigger adverse respiratory health effects. A study of selected Indian cities indicates that the share of transport sector's contribution increases when tinier fractions of particulates are considered. Air pollution in Indian cities is the fifth leading cause of death in India. Annually, about 620,000 premature deaths occur due to air pollution in Indian cities (Roychowdhury, 2013). Over a decade, air quality management attempts have met with mixed responses. Metro cities that have initiated pollution control action have witnessed either stabilization or dip in the pollution levels, however, in other cities, the situation has been observed to be getting worse. Toxic air and its effects on health are seriously compromising the 'liveability' of Indian cities.

The Supreme Court of India responded by a ruling in 1998 that all public transport should shift from the use of diesel to CNG by March 31, 2001. After repeated deferments, the court imposed the order that all buses be converted to CNG by December 2002. This was hailed as a success story, however, the results did not indicate an all-round improvement in ambient air quality as the amount of NO₂ rose along with a marginal decrease in PM10 (Foster & Kumar, 2007). The Environment Pollution Control Authority (EPCA) report for the decade 2002 to 2012 shows that the number of vehicles increased by 97 per cent, contributing enormously to pollution and direct exposure to vehicular toxic fumes. The drastic reduction in price differential between CNG and diesel to just 7 per cent in December 2013 from 46 per cent in 2002-2003 hurt public transport and undermined the clean fuel program (CSE, 2014). In February 2014, the EPCA report was presented to the

Supreme Court, which took cognisance and directed the city agencies to respond to the priority measures outlined in the report to accelerate second-generation reforms.

This demonstrates a classic case wherein the Supreme Court has repeatedly intervened in policy making while government agencies are merely implementing these regulations, particularly CNG regulation. This problem can be addressed from three fronts – facilitating a reduction in the emissions per unit of fuel used; fewer vehicle kilometres travelled in total; and less fuel use per vehicle kilometre travelled. So far in Delhi, vehicular pollution has been addressed only from the first front. Unless all the three fronts are tackled simultaneously, not much improvement can be expected.

d) Deteriorating road safety: The high dependence of migrants on non-motorised transport modes such as walking and cycling causes traffic mix in common roads where fast-moving motorised traffic shares the roads with slow-moving modes leading to an increasing number of fatalities and road accidents (WHO, 2013). In most Indian cities, non-motorised modes like cycling and walking presently share the same right of way as cars and two-wheelers leading to unsafe conditions for all (National Urban Transport Policy (NUTP), 2008). The number of fatalities is also increasing in relation to the increasing motorisation and higher slow-moving vehicles in the traffic stream. While progress has been made towards protecting people in cars, the needs of vulnerable groups of road users, primarily cyclists and pedestrians, are not being met.

Pedestrian fatalities constitute a significant share of total fatalities and the magnitude is in fact much higher in cities that lack adequate pedestrian facilities. Elderly people and school children carry a large share of the burden with 23 per cent fatalities and 25 per cent injuries (Bhatt et al., 2013). The percentage of streets with pedestrian pathways is hardly 30 per cent in most Indian cities. The main reason behind this is inequitable distribution of road space and the fact that streets in India are not designed with the intention of accommodating all the functions of a street. Furthermore, only a part of the right of way is developed leading to unorganised and unregulated traffic, which is unsafe for pedestrians and cyclists (Bhatt et al., 2013).

Challenges

Problems in urban cities in India are characteristically similar to other cities in developing countries. Some salient challenges that cause the urban transport problems are as follows:

a) Gaps in Laws and Regulations: Presently, there is no legislation at central, state or local level that comprehensively covers urban transport requirements of Indian cities. The current systems of laws, regulations and governance for urban transport are the legacy of an era when Indian cities were sparsely populated and had not yet witnessed the kind of transport problems they are encountering today. Many Acts that are in place today are the legacy of the British Rule and a few of these have evolved to address specific issues in urban transport resulting in fragmentation or overlap of jurisdictions.

The Motor Vehicles Act, 1988, addresses road vehicle licensing and, in its present form, is inadequately equipped to deal with the problems of urban congestion and pollution leading to rampant abuse of the system. For instance, fines are the most common form of penalty for unsafe driving. Since these are very mild and do not have a deterrent impact,

critics claim that the Motor Vehicles Act, although comprehensive in regulating urban road transport, is used as a revenue generating mechanism for the state government while other provisions on road safety and security are not adequately enforced.

The relatively weak enforcement of existing laws combined with minimal penalties contribute to rampant flouting of transport rules and regulations. As per the Motor Vehicles Act, motorised vehicles must be inspected after 10 years of use, but the Regional Transport Office (RTO) seldom enforces the rule. RTO is also responsible for issuing driving licenses, which are cheap and relatively fast to acquire in India. The lack of stringent tests, low fees and entry of middlemen for facilitating the issuance of driving licenses has dropped the standard of driver skill and competence. This is an important factor contributing to issues of traffic.

b) Fragmented Institutional Frameworks: Urban transport systems require several functions to be performed in a well-coordinated manner for seamless and comfortable travel experience for commuters. Unfortunately, these are performed by multiple agencies under the central, state and city governments which do not necessarily work together. According to the Seventh Schedule (Article 246) of the Indian Constitution, urban development, which includes urban transport, is in the State List. While, in some states, the transport department undertakes urban transport planning, in others, it is the urban development or municipal administration at the urban level that does it.

c) Distorted land markets affecting transport infrastructure development: Very high costs of land acquisition along with laborious and time-consuming processes are a major barrier for planning integrated urban transport infrastructure. About 70 per cent of delays in all infrastructure projects in 2008 were due to problems related to land acquisition (Mohanty et al., 2009). One of the factors is the heavily distorted land market, caused by zoning and development control rules in cities that limit the supply of land that can be devoted to commercial, industrial or residential use. Significant amount of public lands keep large portions of well-located land outside markets. Cumbersome and time-consuming rural to urban land conversion rules increase cost of acquisition. Laws such as Urban Land Ceiling and Regulation Act (ULCRA) have put many properties under litigation and thus kept them outside the supply of developable land (Ahluwalia, 2011). In India, rapid growth of car and motorcycle ownership and use, has lead to increasingly congested roadways that slow down buses, increasing bus operating costs, further discouraging public transport use (Pucher et al., 2005).

d) Comprehensive design standards for transport infrastructure lacking: Common standards for design, operation and maintenance of transport infrastructure and rolling stock are relatively absent in India. Even if there are existing standards for road construction or metro systems, they are not mandatorily applied during design and construction. Except for road and conventional rail infrastructure systems, the design, operation and maintenance standards for mass transit technologies such as metro, light rail, mono rail or Bus Rapid Transport Systems are non-existent.

e) Human Resource challenges: Urban transportation is a complex system as it constitutes several activities, stakeholders and processes. Unfortunately, the capability for undertaking a coordinated approach along with a holistic understanding of transport issues and their causes involved is generally lacking at the state government and city level (Ahluwalia, 2011). This is attributed to a lack of urban transport skills amongst city

and state officials, along with no dedicated organisation in city or state to deal with urban transport. The main reason for lack of relevant professional skills is that the urban transport professionals today do not have adequate job opportunities in governmental agencies managing land use and urban transport at the city, state or national level. Most of the state and city level agencies dealing with urban transport planning and provision have typically suffered from overstaffing of untrained, unskilled manpower on the one hand and shortage of qualified technical staff and managerial supervisors on the other (Bhatt et al., 2013).

f) Absence of reliable transport data: The absence of a database with scientific management and analysis of urban transport statistics has severely constrained the ability to formulate sound urban transport plans and reliably assess the impact of the different projects carried out in the cities (Bhatt et al., 2013). The reliability and accuracy of even the available data is suspect at present since much of the data collected is either part of a specific study or collected with a specific project in mind. Secondly, available data is scattered over a multiplicity of different agencies and often difficult to obtain. Thirdly, the data is neither collected regularly nor kept up to date which is a limiting factor for larger policy and planning functions. In any case, the data is not available at regular intervals and does not lend itself to any kind of trend analysis. This seems to be a major problem observed across Indian cities, which is why the urban transport management seems to be a major challenge.

g) Inefficiencies in bus based Public Transport services: For many decades, State Road Transport Undertakings (SRTUs) have been providing city based Public Transport (PT) services in about eight cities in India (Delhi, Mumbai, Chennai, Bengaluru, Kolkata, Pune, Chandigarh and Ahmedabad) for which there is data available for analysis. Most of the SRTUs have common problems. In terms of operational performance, excluding Bengaluru and Chandigarh, the remaining six cities have less than 70 per cent fleet utilisation indicating sub-optimal utilisation of their bus fleet. This affects the passenger carrying capacity and service frequency in key cities. In fact, the slow turnaround time of operational buses due to road congestion also affects the fleet utilisation and the overall performance of the bus fleet. As congestion causes a difference in the scheduled bus trips operated daily (up to 20 per cent of scheduled trips are cancelled daily in Delhi), passenger volumes typically fall. At present, there is no systematic exercise for network and route design for bus based PT services. The precise allocation of the responsibility for route design is also unclear. The SRTUs usually decide the routes on which they would operate services on the basis of public pressure, rather than a scientific assessment of the demand. The SRTUs also tend to start routes applied for by individual operators resulting in a sub-optimal allocation of routes, with surplus capacity on some and a deficit in others (Agarwal, 2006).

Suggestions

Some of the useful suggestions to improve urban transportation in India for successful implementation of motor vehicle act are:

1. All types of Vehicles should be regularly checked up and inspected by authorised mechanics like checking of air pollution.
2. Driving Licence should be allotted by following strict procedure and after considering health and mental status of the person.

3. Entry of Animals on Public Roads should be prohibited
4. Supervision and Control of Speed of Vehicle should be ensured strictly.
5. There should be ban on plying of old vehicles.
6. It is to be ensured that all accident victims including victims of uninsured vehicles get compensation.
7. Payment of Compensation to accident victims should be without delay.
8. Full amount of compensation awarded should not go directly in the hands of the victim, instead should be deposited in fixed deposits with banks.
9. Just and Fair Compensation, in cases of out of Court Settlement must be ensured.
10. Where the liability of the insurer is not disputed, the insurance companies should pay compensation as per the standard formula developed by the decisions of the Courts.
11. Insurance companies should provide for treatment of victims of motor accident in the same manner as is provided to medi-claim policy holders.
12. There is need to bring a mechanism to ensure that the compensation awarded by Lok Adalats is Just and Fair.
13. There is need to organise literacy programs regarding rules of road, traffic signals etc., through mass media.
14. Road Safety Bureau must be established to lay down Road Safety Standards and norms, enforce Road safety measures and ensure maintenance of Public Roads in general.
15. Some effective mechanism must be devised to reduce number of vehicles on road, including encouragement to travel by public transport system or by car-pooling.
16. Ensuring effective functioning of Claims Tribunals, Police Authorities and Insurance Companies.
17. Enacting a comprehensive and unified statute for dealing with motor accidents.
18. Trauma and First Aid Centres for Accident Victims must be established immediately.
19. There should be deterrent punishment to traffic offenders.
20. Ensure strict punishment for drunken driving

Conclusion

India is among the most promising emerging transport markets in the world. Obsolete regulations on motor vehicles will have to be replaced with the trendy ones. There is a need to increase efforts to design new products that are suitable for the market and make use of innovative distribution channels to reach a broader range of the population. Comprehensive integration of urban transport and land use planning systems is needed so that synergies are harnessed, interconnections are promoted and functionality optimized through multimodal mobility solutions for Indian cities. There should be more easy process for the injured person to recover money from the insured. The defendant or wrongdoer cannot be exempted on the ground that he has become insolvent. If he owns a vehicle he should be bound to pay to the injured. Keeping the above suggestions in mind, awareness should be created among the vehicle owners so that they can gain best out of Motor Vehicle Act and resolve the issues rather than entrapping themselves by flouting the rules related to Motor Vehicle Act.

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