The Motor Vehicles (Amendment) Act, 2001

[No. 39 of 2001]

[September 11, 2001]

An Act further to amend the Motor Vehicles Act, 1988

Be it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:

Prefatory Note—Statement of Objects and Reasons.—The Motor Vehicles Act, 1988 (59 of 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 and 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 freight 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.

2. However, it has been observed that during the last several years, not only the supply of eco-friendly fuels like CNG has increased tremendously, a large number of vehicles have come on the road which in terms of Sections 66 and 67, as amended by the Motor Vehicles (Amendment) Act, 1994, are operating without any requirement of permits and are, therefore, not subject to any control of the State Governments. The number of such vehicles is likely to further increase substantially.

3. The aforesaid situation is likely to lead to indiscipline on the roads and consequent increase in the road accidents. It is, therefore, considered essential to remove exemption provided under Sections 66 and 67 of the said Act to CNG operated vehicles so that vehicles which operate on eco-friendly fuels are also covered by the terms and conditions applicable to all other vehicles.

4. The proposed amendments are essential in the overall interest of securing road safety and maintaining a clean environment.

5. The Bill seeks to achieve the above object.

1. Short title and commencement.—(1) This Act may be called the Motor Vehicles (Amendment) Act, 2001.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Amendment of Section 66.—In Section 66 of the Motor Vehicles Act, 1988 (59 of 1988) (hereinafter referred to as the principal Act), in sub-section (3), clause (1) shall be omitted.

3. Amendment of Section 67.—In Section 67 of the principal Act, in sub-section (1), in clause (1), the proviso shall be omitted.

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1. Received the assent of the President on September 11, 2001 and published in the Gazette of India, Extra Part II, Section 1, dated 12th September, 2001, P. 1, No. 46.