

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

RAJYA SABHA
UNSTARRED QUESTION NO - 2173
ANSWERED ON - 11/03/2026

ACCIDENT COMPENSATION FOR UNINSURED VEHICLES

2173. SHRI K.R. SURESH REDDY:

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

- (a) the details of the percentage vehicles currently on Indian roads that are uninsured as opposed to the total number of vehicles;
- (b) the details of the mechanisms for victim compensation in the case of a hit and run death wherein a deceased perpetrator has been identified, but is driving an uninsured vehicle;
- (c) steps taken by Government to ensure that vehicles have a third party insurance as per the Section 146 of the Motor Vehicles Act, 1988; and
- (d) whether Government plans on expanding the Motor Vehicle Accident Fund to include uninsured but identified cases?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

- (a) Out of the total active vehicles plying on road, based on validity of fitness & registration status in 'VAHAN' as of 06.03.2026, the percentage of vehicles currently plying on Indian roads that are uninsured is 44.31 %.
- (b) In case of a hit and run accident, if the offending vehicle involved in the accident has been identified and is uninsured, the application for compensation may be filed under section 164 or 166 of the Motor Vehicles (MV) Act, 1988 as the case may be, read with rule 150A and Annexure-XIII of the Central Motor Vehicles Rules, 1989.
- (c) Section 146 of the Motor Vehicles Act, 1988 (“the Act”) mandates compulsory third-party insurance for motor vehicles used in public places, while Section 196 of the Act prescribes the punishment for contravention of Section 146.

The enforcement of provisions relating to motor vehicle insurance against third-party risks constitutes a critical component of road safety and legal compliance under the Act. In furtherance of the objective of enhanced third-party insurance coverage, several advisories and directives have been issued to States/UTs to strengthen enforcement, enhance compliance with the aforesaid provisions, raise public awareness, and leverage technological solutions.

Enforcement of the provisions of law in relation to uninsured motor vehicles falls within the jurisdiction of the respective States/UTs.

(d) Sub-rules (b) and (c) of rule 3 of the Central Motor Vehicles (Motor Vehicle Accident Fund) Rules, 2022 (MVAF Rules), as amended vide G.S.R. 17(E) dated 05.01.2026, provide that the Motor Vehicle Accident Fund comprises of, inter-alia,:

- i. Account for Uninsured Vehicles or Hit and Run Motor Accident;
- ii. Hit and Run Compensation account.

The manner of utilisation of the aforesaid two accounts has been prescribed under Rule 11 which provides that:

(i) Account for Uninsured Vehicles or Hit and Run Motor Accident shall be utilised for treatment of victims of accidents other than those caused by insured vehicles and any charges relating to implementation of the scheme framed under Section 162 i.e. PM RAHAT Scheme.

(ii) Hit and Run Compensation Account shall be utilised for providing compensation to hit and run accident victims as per Section 161 and Section 164A, read with the Compensation to Victims of Hit and Run Motor Accidents Scheme, 2022 and for any charges related to implementation of the Compensation to Victims of Hit and Run Motor Accidents Scheme, 2022.
