

**GOVERNMENT OF INDIA  
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS**

**LOK SABHA  
UNSTARRED QUESTION NO. 4572  
ANSWERED ON 27<sup>TH</sup> MARCH, 2025**

**IMPLEMENTATION OF SECTION 162(1) OF THE MOTOR VEHICLE  
ACT, 1988**

**4572. SHRI RAJKUMAR CHAHAR:**

**Will the Minister of ROAD TRANSPORT AND HIGHWAYS**

सड़क परिवहन और राजमार्ग मंत्री

**be pleased to state:**

- (a) whether the Government has formulated a scheme under Section 162(1) of the Motor Vehicles Act, 1988, requiring general insurance companies to provide treatment for road accident victims, including during the golden hour, if so, the details thereof;**
- (b) whether the Government is aware that while efforts are being made for a cashless treatment scheme under Section 162(2), no scheme has been formulated under Section 162(1) so far, if so, the details thereof;**
- (c) the reasons for not formulating any scheme under Section 162(1) despite the financial responsibility being placed on insurance companies and not the Government;**
- (d) whether the Government is considering any proposal for implementing a scheme under Section 162(1), if so, the steps being taken to ensure its timely implementation; and**
- (e) the measures the Government is taking to ensure compliance by general insurance companies with their obligations under Section 162(1) regarding the treatment of road accident victims?**

## **ANSWER**

### **THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS**

**(SHRI NITIN JAIRAM GADKARI)**

**(a) to (e) As per section 162 of the Motor Vehicles Act, 1988, Government has formulated a scheme to provide cashless treatment to the victims of road accidents caused by the use of motor vehicles. The key features of the scheme are summarised as under:**

- Victims are entitled to cashless treatment upto Rs. 1.5 lakh per victim per accident for a maximum period of 7 days from date of accident.**
- To be implemented by National Health Authority (NHA) in coordination with State Governments (Police, empaneled hospitals, State Health Agency (SHA)) etc.**
- Ayushman Bharat Pradhan Mantri-Jan Arogya Yojana (AB PM-JAY) packages for trauma and polytrauma care have been co-opted.**
- Claims raised by hospitals for providing treatment to be reimbursed from the Motor Vehicle Accident Fund.**

**Government in the Ministry of Road Transport and Highways (MoRTH), along with National Health Authority (NHA), has implemented pilot program for providing cashless treatment to victims of road accidents in the Union Territories of Chandigarh and Puducherry and States of Assam, Haryana, Punjab and Uttarakhand. The ongoing pilot program under implementation is aimed at further strengthening the scheme through on-ground validation and assessment in collaboration with all stakeholders, while also ensuring operational readiness of States/Union Territories for pan India launch of the Scheme.**

**Further, the Government has constituted the Motor Vehicle Accident Fund as per the mandate of section 164B of Motor Vehicles Act, 1988, which is to be utilised, inter alia, for treatment of the persons injured in the road accidents in accordance with the scheme framed under section 162 of the Motor Vehicles Act, 1988. The Fund includes contributions pooled from general insurance companies as well as budgetary grant by the Government.**

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