

## RENT A MOTOR CYCLE SCHEME, 1997<sup>1</sup>

*In exercise of powers conferred by section 75 of the Motor Vehicles Act, 1988 (59 of 1988), Central Government hereby makes the following scheme for regulating the business of renting of Motor Cycles to persons desiring to drive the motor cycles for their own use and matters connected therewith, namely:—*

**1. Short title, commencement and application.**—(i) This scheme may be called Rent a Motor Cycle Scheme, 1997.

- (ii) It shall come into force on the date of its publication in the Official Gazette.
- (iii) It shall apply to motor cycles to which permits have been issued under sub-section (1) of section 74 of the Act and operating under a licence granted in terms of para 6.

**2. Definitions.**—In this scheme unless the context otherwise requires:—

- (i) “Act” means Motor Vehicles Act, 1988 (59 of 1988);
- (ii) “Form” means a form appended to this scheme;
- (iii) “licence” means a licence granted or renewed under paragraph 6 to engage in the business of renting of motor cycles to persons desiring to drive the motor cycles themselves for their own use;
- (iv) “licensing authority” means the State Transport Authority constituted under sub-section (1) of section 68 of the Act;
- (v) “operator” means the holder of permit issued under sub-section (1) of section 74 of the Act in respect of not less than 5 motor cycles;
- (vi) “scheme” means the Rent a Motor Cycle Scheme, 1997.

**3. Licensing of operator.**—No person shall engage himself in the business of renting a motor cycle under this scheme without a licence.

**4. Application for grant or renewal of licence.**—An application for the grant or renewal of a licence under paragraph 6 shall be made in Form 1 to the licensing authority having jurisdiction in the area in which he resides or has his principal place of business and shall be accompanied by a fee of rupees one thousand.

**5. Scrutiny of application.**—A licensing authority shall, before granting or renewing a licence take into consideration the following, namely:—

- (i) That the applicant has a good moral character and has intimate knowledge of passenger transport business;
- (ii) That the applicant has necessary facilities for the housing, maintenance and repair of his vehicles, sanitary block and reception room;
- (iii) That the applicant has at least one telephone which is accessible throughout day and night;
- (iv) That the financial resources of the applicant are sufficient to provide for the continued maintenance of motor cycle and for the efficient management of the establishment;

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1. *Vide* S.O. 375 (E), dated 12th May, 1997, published in the Gazette of India, Extra., Pt. II, Sec. 3(ii), dated 12th May, 1997.

- (v) That the applicant maintains not less than 5 motor cycles duly covered by permits issued under sub-section(1) of section 74 of the Act, with comprehensive insurance, fitness certificates, motor vehicle tax paid upto date.

**6. Grant of licence.**—The licencing authority may, on receipt of an application under paragraph 4 and after satisfying himself that the applicant has complied with the requirements of paragraph 5, grant or renew the licence in Form 2:

Provided that no application for licence shall be refused by the licensing authority unless the applicant is given an opportunity of being heard and reasons for such refusal are given in writing by the licensing authority.

**7. Duration of licence.**—A licence granted or renewed under paragraph 6 shall be valid for a period of five years from the date of grant or renewal.

**8. General conditions to be observed by the holder of the licence.**—The holder of the licence shall,—

- (i) maintain a register with a separate page for each vehicle containing the particulars specified in Form 3 and where a motor cycle is hired by a foreign national, shall maintain a register in Form 4;
- (ii) not shift the principal place of business mentioned in the licence without the prior approval in writing of the licensing authority which granted the licence;
- (iii) keep the premises and all the records and registered maintained and the motor cycles open for inspection at all reasonable times by the licensing authority or by any person not below the rank of motor vehicle inspector as may be authorized in this behalf by the licencing authority;
- (iv) submit from time to time, to the licensing authority such information and return as may be called for by it;
- (v) display at prominent place in its main office and its branch office, the licence issued in original and certified copies thereof, attested by the licensing authority;
- (vi) maintain in their main office and branch offices at a conspicuous place a "Complaint Book" in the Form 5 with serially numbered pages in triplicate. The licensee shall despatch the duplicate copy of complaint, if any, to the licensing authority by registered post expeditiously and in any case not later than 3 days;
- (vii) maintain a suggestion box in the main office and branch offices and forward their suggestion received with their comments, if any, to the licensing authority once a month.

**9. Collection of hire charges.**—The holder of a licence shall collect the hire charges from a foreign national or non-resident Indian only in foreign exchange and shall hold for the purpose a licence to transact in foreign exchange.

**10. Duties and responsibilities of the hirer of motor cycles.**—(1) It shall be the duty of every hirer to keep the holder of the licence, informed of his movements from time to time.

(2) If an individual or company has hired the vehicle, as leader of the tourist party, it shall be the duty of such leader of the party to keep the holder of the licence informed of the movements of each vehicle, from time to time.

**11. Power of licensing authority to suspend or cancel the licence.**—(1) The licensing authority shall, on being satisfied after giving the holder of the licence, an opportunity of being heard, that he has—

- (i) failed to comply with the provisions of paragraph 8 or 9; or
- (ii) failed to maintain the motor cycle in compliance with the provisions of the Act and rules; or
- (iii) any one of his employees has misbehaved with customers; or
- (iv) any complaint against the licences by any hirer has been proved beyond reasonable doubt, suspend the licence for specified period or cancel the licence.

(2) Where the licence is liable to be cancelled or suspended and the licensing authority is of opinion that having regard to the circumstances of the case, it would not be necessary or expedient to cancel or suspend the licence; if the holder of the licence agrees to pay the fine that may be imposed by the licensing authority, then notwithstanding anything contained in clause (1), the licensing authority may, instead of cancelling or suspending the licence as the case may be, recover from the holder of the licence, the said fine.

(3) For the purpose of recovery of the sum of money agreed upon, the State Government may, by notification in the Official Gazette, specify the amount recoverable for each day of suspension of the licence and specify the time within which the sum of money agreed upon is payable, failing which the orders passed under clause (1) shall be implemented.

(4) When the licence is suspended or cancelled under clause (1), the holder of the licence shall surrender the licence to the licensing authority.

<sup>1</sup>**12. Appeals.**—Any person aggrieved by any order of the licensing authority under Paragraph 6 or Paragraph 11, may within thirty days of the receipt of the order, appeal to the State Transport Appellate Tribunal].

**13. Procedure for appeal.**—(1) An appeal under rule 12 shall be preferred in duplicate in the form of a memorandum setting forth the ground of objection, to the order of the licensing authority and shall be accompanied by a fee as may be specified by the State Government, by notification in the Official Gazette.

<sup>1</sup>[(2) The State Transport Appellate Tribunal may after giving an opportunity to the parties to be heard and after such enquiry as it may deem necessary, pass appropriate orders.]

(3) The State Transport Appellate Tribunal shall dispose of an appeal under Paragraph 12 within a period of ninety days from the date on which such appeal is filed;].

**14. Voluntary surrender of the licence.**—The holder of a licence may at any time surrender the licence issued to him by the licensing authority which granted the licence and, on such surrender the licensing authority shall cancel the licence. The holder of the licence before surrendering the licence shall clear the dues referred to in clause (2) of paragraph 11.

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1. Subs. by S.O. 257 (E), dated 26th March, 1998 (w.e.f. 26-3-1998).

**FORM 1**

[See paragraph 4]

*Application for grant or renewal of licences for renting motor cycles*

To

The Transport Authority

..... State/UT

I, the undersigned, hereby apply for a licence for renting motor cycles in the State of .....

1. Full Name .....  
Son/Wife/Daughter of.....

2. (a) Full Address .....  
(b) Telephone No. ....

3. Age .....

4. (a) Experience in management of transport business .....  
(b) Number of motor cycles held with valid permits .....

5. Particulars of licence, if already held .....

6. (a) Place where the applicant has his main office with detailed address .....

(b) Place where the applicant has his branch office with detailed address .....

(c) The number of motor cycles to be stationed in each branch office .....

7. Nature and extent of financial resources of the applicant .....

8. Particulars of motor cycles owned alongwith details of registraton mark .....

9. Full description of the place where the business is to be carried on .....

(a) Location, open area, covered area.

(b) Any other particulars.

10. I am conversant with the conditions for carrying the business for renting of motor cycles.

11. I hereby declare that to the best of my knowledge and belief the particulars given above are correct and true.

The prescribed fee of rupees one thousand is paid\* .....

Place :

Signature of Applicant

Dated :

\*(Here indicate the mode of payment)

**FORM 2**

[See paragraph 6]

*Licence of renting motor cycles*

1. Name of the operator .....

2. Son/Wife/Daughter of .....

3. Full address of the place of business .....

4. Registration mark of motor cycles authorised for renting

Main Office		Branch Office
1.	2.	3.
4.	5.	6.
7.	8.	9.
10.	11.	12.

is licensed to rent motor cycle.

This licence is issued on ..... and is valid upto .....

State Transport Authority

..... State/UT

**Renewal**

Renewed from ..... to .....

State Transport Authority

..... State/UT

**FORM 3**

[See paragraph 8(i)]

*Register to be maintained by Rent a motor cycle Licensee*

Sl.No.	Name of hirer	Full address	Tel. No. if any	Motor driving licence No.
(1)	(2)	(3)	(4)	(5)

Issued by (Authority)	Class of vehicle	Date of issue	Date of expiry	Date & Time of hire
(6)	(7)	(8)	(9)	(10)

Date and time of returning vehicle	Motor Vehicle used for total Kilometres	Signature of hirer	Remarks
(11)	(12)	(13)	(14)

**FORM 4**

[See paragraph 8(i)]

*Register to be maintained by rent a motor cycle licensee in case  
where the motor cycle is hired to a foreigner*

Sl. No.	Name of hirer	Full address	Tel. No. if any	Motor driving licence No.	Issued by (Authority)	Class of vehicle
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Date of issue	Date of expiry	Passport No.	Issued by the authority and State/Nation	Date of issue of passport	Date of expiry	Date of birth as per passport
(8)	(9)	(10)	(11)	(12)	(13)	(14)

Driving permit No., if any	Date of issue of driving permit	Class of vehicle authorised to drive	Date and time of hire	Date and time of returning vehicle	Motor vehicle used for total kms.	Signature of hirer	Remarks
(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)

**FORM 5**

[See paragraph 8(vi)]

*(With pages serially numbered in triplicate)*

1. Name of complainant .....
  2. Full address .....
  3. The name and address of the holder of the licence for rent a motor cycle .....
  4. Licence number, and authority which issued the licence .....
  5. The date and time of hiring the vehicles and date and time when the vehicle was returned .....
  6. Vehicle number .....
- Complaint in brief .....

Date :

Place :

Signature

1. The licensing authority by registered post ..... (duplicate Copy)

2. The complainant ..... (triplicate Copy)

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