

No. RT-11021/34/2023-MVL
Government of India
Ministry of Road Transport & Highways
Transport Bhawan,1, Parliament Street, New Delhi-110001.

the ²² January, 2024.

To,

1. The Principal Secretary/Secretary,
State Government/ Administration of Union Territory
2. The Transport Commissioner,
State Government/ Administration of Union Territory

Subject: Motor cycles fall within the definition of 'contract carriage' as per Section 2(7) of the Motor Vehicles Act, 1988.

Sir/ Ma'am,

I am directed to say that it has been brought to the notice of this Ministry that certain States/ UTs are, while processing applications for grant of permit, taking a view that 'motor cycle' is not eligible to ply under contract carriage or operate as a transport vehicle.

1. The definition of 'contract carriage' is provided in Section 2(7) of the Motor Vehicles Act, 1988 ("the MV Act") as follows:

(7) "contract carriage" means a motor vehicle which carries a passenger or passengers for hire or reward and is engaged under a contract, whether expressed or implied, for the use of such vehicle as a whole for the carriage of passengers mentioned therein and entered into by a person with a holder of a permit in relation to such vehicle or any person authorised by him in this behalf on a fixed or an agreed rate or sum--

(a) on a time basis, whether or not with reference to any route or distance; or

(b) from one point to another, and in either case, without stopping to pick up or set down passengers not included in the contract anywhere during the journey, and includes--

(i) a maxicab; and

(ii) a motor cab notwithstanding that separate fares are charged for its passengers;

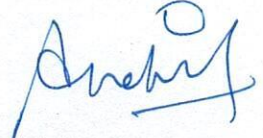
- 2 . It is clarified that as per Section 2(28) of the MV Act, vehicles having less than four wheels fitted with engine capacity exceeding twenty-five cubic centimeters are also included within the definition of motor vehicles. Hence, 'motor cycles' shall fall within the ambit of Section 2(7) of the MV Act.

3. It may be noted that the above position is also evident from sub-

section (3) of section 178 of the MV Act which imposes a fine up to fifty rupees on the holder of a contract carriage permit for a two-wheeled contract carriage or the driver thereof, for refusal to ply the same or to carry the passengers.

4. Accordingly, all the States/ UTs are advised to accept and process applications for contract carriage permits for motor cycles in accordance with the provisions of the MV Act and the rules thereunder.

Yours faithfully,



(S.K. Geeva)

Under Secretary to the Govt. of India

Tel: 011-23739074

Email : geeva.sk@nic.in