

GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

RAJYA SABHA
UNSTARRED QUESTION NO - 2188
ANSWERED ON - 11/03/2026

**DEVELOPMENT OF FORMAL END-OF-LIFE VEHICLE (ELV) RECYCLING
INFRASTRUCTURE**

2188. SHRI S NIRANJAN REDDY:

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

- (a) whether it is a fact that India lacks adequate formal infrastructure for recycling End-of-Life Vehicles (ELVs), with the sector largely dominated by informal scrappage practices;
- (b) whether Government has assessed the environmental and material recovery losses arising from informal vehicle dismantling;
- (c) the steps taken to establish authorised scrappage facilities and strengthen formal recycling systems; and
- (d) whether any further measures are proposed to promote safe, environmentally compliant and resource-efficient ELV recycling across the country?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) The Government has formulated the Voluntary Vehicle Fleet Modernization Program (V-VMP) or Vehicle Scrapping Policy for creation of an ecosystem to phase out unfit and polluting vehicles in an environment friendly manner. Government has notified the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 vide GSR 653(E) dated 23.09.2021 (further amended vide GSR 695 (E) dated 13.09.2022, GSR 212 (E) dated 15.03.2024 and GSR 700(E) dated 19.09.2025). These rules provide for creation of formal scrapping ecosystem in the country.

As on 10.03.2026, 134 Registered Vehicle Scrapping Facilities (RVSFs) are operational across 22 States / UTs of the country. These facilities contribute in formalising the vehicle scrapping ecosystem in the country.

(b) While the Government has aimed to bring informal scrapping centres into the formal fold through the registered vehicle scrapping centres and the efforts have borne fruits, no separate assessment on environmental and material recovery losses has been conducted. In order to ensure environment friendly vehicle scrapping in RVSFs, following provisions are provided in the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021:

(i) Sub-rule (8) of rule 13 provides that Scrapping yard shall have the following to ensure health and safety regulations and environmental norms: -

1. Suitable earmarked area for parking of waste vehicles on non-earmarked permeable asphalt or concrete or epoxy coated flooring with adequate drainage facility and no waste or potentially waste vehicle shall be parked on roads or public spaces even during processing of applications for deposit and shall be accommodated within the premises of the Registered Vehicle Scrapping Facility only.

2. Certified de-polluting equipment to ensure zero leakage of pollutants during draining of fuels or fluids or gases and liquids, certified de-risking equipment for safe neutralization or removal of airbags, pretensioner etc., appropriate dismantling equipment for the activities defined (such as de-risking, depolluting, dismantling, etc.), designated areas for storing the segregated scrap, adequate space for storage and handling of segregated spares, designated space for temporary storage of automotive hazardous waste such as tyres, batteries, fuel, oils, liquids and gases, suitable safety and occupational health equipment, material handling equipment for the safe transportation of spares, scrap, etc.

3. Appropriate industrial grade lighting and ventilation systems, conformity to noise pollution norms and appropriate effluent treatment plants or water recycling plants.

(ii) The audit report is required to be submitted annually and shall also grade and evaluate the RVSF in terms of its performance and adherence to occupational health and safety compliances, regulatory, business, environment and labour standards and the respective recycling rates basis, the mass flow information recorded, in the prescribed form, achieved by the Registered Scrapper.

(c) and (d) In order to establish Registered Vehicle Scrapping Facilities (RVSFs) and promote safe, environmentally compliant and resource-efficient End of Life Vehicle (ELV) recycling, following steps have been taken by the Government: -

(i) The applications for grant of registration certificate to set up RVSFs has been facilitated through National Single Window System (NSWS) for accepting and processing applications online.

(ii) National Informatics Centre (NIC) has developed the 'Vscrap' module on the Vahan portal to facilitate the scrapping process online. RVSFs can also use this portal to generate 'Certificate of Deposit' upon receipt of vehicle for scrapping.

(iii) To facilitate the scrapping of Government vehicles older than 15 years the MSTC portal, operated by Metal Scrap Trade Corporation and the Government e-Marketplace (GeM) have been provided, through which various departments can conduct e-auctions and ensure disposal of end-of-life Government vehicles through RVSFs.

(iv) The Central Government also provides incentives to States/UTs under the Scheme for Special Assistance to States for Capital Investment (SASCI) 2025-26. Rs. 2,000 crore has been earmarked under the Scheme to promote scrapping of vehicles at Registered Vehicle Scrapping Facilities (RVSFs) and related implementation measures under the Vehicle Scrapping Policy

(v) As on 06.03.2026, 134 Registered Vehicle Scrapping Facilities (RVSFs) are operational across the country with an average capacity to scrap 10,000 to 12,000 vehicles annually. So far, 4,60,979 vehicles have been scrapped at RVSFs, with 2,79,792 vehicles scrapped during the current financial year (till date). The existing RVSF infrastructure is therefore having sufficient capacity to support the transition towards an organised and environmentally compliant vehicle scrapping ecosystem.

(vi) In order to monitor the progress of scrapping infrastructure and coordinate with the States/UTs, meetings are conducted at regular intervals and issues advisories and provides necessary support to States/UTs to facilitate the setting up of RVSFs.

(vii) Following incentives are provided to the citizens for scrapping their vehicles at RVSFs and promoting formal recycling: -

1. GSR 714 (E) dated 04.10.2021 provides that, in case the vehicle is registered on submission of 'Certificate of Deposit', the fee for issue of certificate of registration shall not be levied.

2. GSR 720 (E) dated 05.10.2021 provides for concession in the motor vehicle tax (upto twenty-five per cent., in case of non-transport vehicles and upto fifteen per cent, in case of transport vehicles) for the vehicle registered against submission of "Certificate of deposit". Provided that this concession shall be available upto eight years, in case of transport vehicles, and upto fifteen years, in case of non-transport vehicles.

3. GSR 200 (E) dated 26.03.2025 provides for concession in the motor vehicle tax of up to fifty percent against such certificate for all transport and non-transport vehicles which are manufactured as per Mass Emission Standards Bharat Stage I (BS-I) norms and earlier Mass Emission Standard norms and all medium and heavy goods motor vehicles and all medium and heavy passenger motor vehicles which are manufactured as per Mass Emission Standards Bharat Stage II (BS-II) norms.

(viii) Government in the Ministry of Environment, Forest and Climate Change (MoEF&CC) notified the Environment Protection (End-of-Life Vehicles) Rules, 2025 vide S.O. 98(E) dated 06th January, 2025 for environmentally sound management of end-of-life vehicles. The rules are based on the principle of extended producer responsibility (EPR) where producers of vehicles are given mandatory EPR targets for scrapping of end-of-life vehicles. The rules cover all types of transport and non-transport vehicles, except agricultural tractor, agricultural trailer, combine harvester and power tiller.

(ix) Central Pollution Control Board (CPCB) has developed 'Guidelines for Environmentally Sound Facilities for Handling, Processing and Recycling of End-of-Life Vehicles' in 2023 to carry out dismantling and recycling of end-of-life vehicles in environmentally sound manner. The guidelines also specify sustainable technologies for de-pollution and dismantling of end-of-life vehicles.
