

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

**LOK SABHA  
UNSTARRED QUESTION NO. 3189  
ANSWERED ON 16<sup>TH</sup> DECEMBER, 2021**

**EXEMPTION OF ROAD TAX UNDER VEHICLE SCRAPPAGE POLICY**

**3189. SHRI RAKESH SINGH:**

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

सड़क परिवहन और राजमार्ग मंत्री

**be pleased to state:**

- (a) the steps taken by the Government to encourage scrapping of old vehicles in the country;**
- (b) whether the exemption in road tax is given on buying new vehicles in lieu of scrapping the old vehicles;**
- (c) if so, the details thereof;**
- (d) whether there is any proposal to enhance such exemption under the Vehicle Scrappage Policy; and**
- (e) if so, the details thereof?**

**ANSWER**

**THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS  
(SHRI NITIN JAIRAM GADKARI)**

**(a) The Ministry of Road Transport and Highways has formulated the Vehicle Scrapping Policy that includes a system of incentives/dis-incentives for creation of an ecosystem to phase out older, unfit polluting vehicles. In order to enforce provisions of the policy, rules have been issued/amended under the framework of the Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989. The following final notifications have been issued and uploaded on the Ministry's website:-**

**(i) GSR Notification 653 (E) dated 23.09.2021 provides the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 for establishment of Registered Vehicles Scrapping Facility (RVSF). The notification has come into force with effect from 25<sup>th</sup> September, 2021.**

**(ii) GSR Notification 652 (E) dated 23.09.2021 provides for recognition, regulation and control of Automated Testing Stations. The notification has come into force with effect from 25<sup>th</sup> September, 2021.**

**(iii) GSR Notification 714 (E) dated 04.10.2021 provides for upward revision of registration fee, fitness testing fee and fitness certification fee of vehicles. The notification shall come into force with effect from 1<sup>st</sup> April, 2022.**

**(iv) GSR Notification 720 (E) dated 05.10.2021 provides for concession in the motor vehicle tax for the vehicle registered against submission of "Certificate of deposit". The notification shall come into force with effect from 1<sup>st</sup> April, 2022.**

**(b) to (e) Government has issued GSR Notification 720 (E) dated 05.10.2021 which provides for concession in the motor vehicle tax for the vehicle registered against submission of "Certificate of deposit". The notification shall come into force with effect from 1st April, 2022.**

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