

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

**LOK SABHA
UNSTARRED QUESTION NO. 2889
ANSWERED ON 8th AUGUST, 2024**

VEHICLE SCRAPPAGE POLICY, 2021

2889. SHRI GURMEET SINGH MEET HAYER:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

(a) the details of measures taken to mitigate the financial burden on lower-income individuals and small businesses faced due to Vehicle Scrappage Policy, 2021;

(b) the details of specific incentives to vehicle owners in transitioning to new vehicles by the Government;

(c) the details of the steps taken to prevent pollution by disposal of scrapped vehicles and to balance the resource consumption and energy use in manufacturing new vehicles;

(d) the details of infrastructure developments planned for scrapping centres and mechanism for regulatory compliance to be enforced uniformly;

(e) the steps taken to address the impact on the second-hand vehicle market and support to affected informal sector workers; and

(f) the mechanisms to monitor the policy's effectiveness and aligning with India's long-term environmental and economic objectives?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) and (b) (i) In order to incentivize the vehicle owners to scrap old, unfit and polluting (End of Life vehicles) vehicles, under the Vehicle Scrapping Policy, MoRTH has issued GSR 720 (E) dated 5th October 2021 to provide concession in the Motor Vehicle Tax of up to 25% in case of non-transport vehicles and up to 15% in case of transport vehicles which are purchased against the 'Certificate of Deposit'.

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

(c) and (d) (i) The Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 issued vide GSR 653(E) dated 23.09.2021 (as amended from time to time) provides the rules to establish Registered Vehicle Scrapping Facilities (RVSFs).

(ii) Sub-rule (xix) of rule 10 of the aforementioned rules provides that the RVSF shall ensure the removal or re-cycling or disposal of hazardous parts of the scrapped vehicle is done as per the guidelines issued by the Central Pollution Control Board (CPCB) for environmentally sound management of End-of-Life Vehicles and AIS-129.

(iii) As per rule 14 of these rules, the Registered Scrapper is required to conduct annual regulatory and compliance audit, and audit of the mass flow statement of the RVSF, by any of the agencies specified under rule 126 of the Central Motor Vehicles Rules, 1989.

(iv) CPCB has published the Guidelines for environmentally sound facilities for handling and scrapping of End-of-Life vehicles in March, 2023.

(v) Ministry of Environment, Forest and Climate Change has notified the End-of-Life Vehicles (Management) Rules, 2024 vide S.O. 367 (E) dated 30.01.2024. These rules provides a framework of Extended Producer Responsibility (EPR) where the producers (including importers) of vehicles are responsible for scrapping of End-of-Life vehicles at RVSFs.

(e) and (f) The Vehicle Scrapping policy aims to reduce pollution from old and unfit vehicles in an environment friendly manner through a scientific scrapping process. The notification issued vide GSR 653(E) (as amended from time to time) provides for the integration of unorganised/informal sector with the formal scrapping ecosystem. Out of the 62 RVSFs established so far, 22 Nos have been established by the former informal scrappers.
