



Haryana Government Gazette

EXTRAORDINARY

Published by Authority

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No. 214-2022/Ext.] CHANDIGARH, WEDNESDAY, DECEMBER 7, 2022 (AGRAHAYANA 16, 1944 SAKA)

HARYANA GOVERNMENT
TRANSPORT DEPARTMENT

Notification

The 7th December, 2022

No. 22/70/2022-3T(1).— The Governor of Haryana is pleased to notify the 'Vehicle Scrappage Policy, Haryana' which will be effective for a period of five years from the date of publication of this notification in the Official Gazette. The Vehicle Scrappage Policy, Haryana is placed below at Annexure-'A'.

The policy has been concurred by the Finance Department vide their U.O. No. 12/21/2022-3SS/22723, dated 12.10.2022 and approved by the Council of Ministers in its meeting held on 01.12.2022.

Chandigarh:
The 7th December, 2022.

NAVDEEP SINGH VIRK,
Principal Secretary to Government Haryana,
Transport Department.

Vehicle Scrappage Policy, Haryana**1. Preamble**

For safe mobility, a motor vehicle has become a very essential part of life. The vehicle population has risen exponentially in the last decade. The number of vehicles is expected to go further up at an accelerated rate in the times to come. While for road safety only a fit vehicle is to be allowed on road, it has been seen that unfit vehicles, for one reason or other like over aging, maintenance cost deterrence, are increasing at a high rate on the roads thereby compromising the road safety as well as the environment. Therefore, the vehicles which have become finally unfit for plying are required to be phased out. For this purpose, a full-fledged eco-system of vehicle fitness testing stations, scrappage facilities, incentives, disincentives, and an institutional framework for monitoring and implementation is required to be established. The scrapping system will be inspired by the idea of a circular economy that depends on the re-use, sharing, repair, refurbishment, remanufacturing, and recycling of resources to create a closed-loop system, also by minimizing the use of resources, the generation of waste, the pollution and carbon emissions. It will improve productivity.

2. Objectives and Purpose

- 2.1 Phasing out old aged and unfit vehicles as early as possible in the interest of road safety and the environment.
- 2.2. Creating dis-incentives in the form of higher fees for the renewal of registration after a particular age, for renewal of the pollution certificate, and for fitness testing.
- 2.3. Creating incentives in the form of rebates in the motor vehicle tax, and registration fees.
- 2.4. Establishing scrapping facilities.
- 2.5. Ensuring transparency and efficiency in the process of scrapping and incentives.
- 2.6. Encouraging private investment.
- 2.7. Creating employment opportunities.
- 2.8. Protecting environment.
- 2.9. Ensuring road safety.
- 2.10. Going from waste to wealth through a circular economy.
- 2.11. Creating digital governance by integrating different functions.
- 2.12. Formalizing the current informal vehicle scrappage industry.

3. Definitions

- 3.1. Act
The Motor Vehicle Act, 1988 (Central Act 59 of 1988)
- 3.2. Age of Operation:
It is the age beyond which no permit shall be issued.
- 3.3. Critical Age:
10 years in the case of diesel vehicles and 15 years in the case of petrol vehicles.
- 3.4. Environment Compensation Charge:
This is the charge to be collected from the vehicle of age more than critical age for causing more damage to the environment.
- 3.5. Road Risk Charge:
This is the charge to be collected from vehicles of age more than critical age for causing more road risks for the road users and the general public.
- 3.6. Scrapping Incentives:
These are the rebates and discounts provided in the form of either motor vehicle tax or registration fees.
- 3.7. Scrap Value:
It means the value of the vehicle as mutually agreed through a digital portal to be provided by the State Government and paid to the vehicle owner or the authority depositing a vehicle to the registered scrapper for scrapping purposes.
Any other term used would have the same meaning as assigned in the Motor Vehicle Act, 1988 or rules framed thereunder.

4. Applicability

- 4.1. To all end-of-life vehicles
- 4.2. To all Registered Vehicle Scrapping Facilities (RVSFs)
- 4.3. To all automated testing stations
- 4.4. To all registering authorities
- 4.5. To all departments who are supposed to issue a No Objection Certificate (NOC) for the registration of RVSFs.

5. Principles

- 5.1. Incentives-based system to facilitate the phasing out of unfit vehicle population
- 5.2. Utilizing disincentives to make use of old/unfit vehicles a costly affair
- 5.3. Creating a compensatory corpus to neutralize the burden of incentives
- 5.4. To generate awareness through media, IEC activities, and programs in educational institutions
- 5.5. Environment and road safety
- 5.6. To create a win-win situation for the vehicle owners, The Registered Vehicle Scrap Facilities, the Government, and society.

6. Institutional Framework

- 6.1. The Transport Department shall establish Automated Testing Stations (ATS) and facilitate the establishment of scrapping infrastructure through RVSFs for proper disposal of unfit vehicles.
 - 6.1.1. It is the responsibility of the state to ensure safe vehicles on roads through statutory and periodical mandatory fitness testing of the vehicles.
 - 6.1.2. To discharge the duty of statutory fitness testing of vehicles, the fitness process should be controlled and monitored by the state government.
 - 6.1.3. Higher fitness fees will be imposed on the critical age vehicles as a tool to disincentivize the critical age vehicles from being operated. Further, the higher fees shall be taken by the government to neutralize the burden of scrapping incentives.
 - 6.1.4. RVSFs shall be encouraged to be established purely through private investment.
- 6.2. All applications shall be received, on the National Single Window System (NSWS). This portal shall be integrated with the HEPC. Portal of concerned departments of the State Government shall issue the permissions of their jurisdictions on the HEPC only. The permissions shall be issued, as are issued in the case of any other industry applying on the HEPC portal.
 - 6.2.1. The departments concerned shall issue their respective NOCs within a period of 30 days so that further time is available to the Transport Department to process the application for registration of RVSF.
 - 6.2.2. The registration fee will be INR 100000.
 - 6.2.3. The applicant will declare the whole process of scrapping under his control and update the department from time to time.
 - 6.2.4. RVSF will maintain an inventory of cut pieces of the chassis number and their final deposition to any OEM under proper receipt annually.
 - 6.2.5. NCRB and cyber security integration with the RVSF modules provided by the Department.
- 6.3. Transport Department will act as an overall controller of the RVSF system. If any RVSF is found violating the policy or the relevant rules then it will be liable to pay a penalty up to INR 1 lac for each default under a proper receipt of the Government Treasury. But before the imposition of any penalty, the Transport Commissioner shall pass a speaking order by affording an opportunity after hearing the RVSF concerned.

7. Incentives

- 7.1. Motor Vehicle Tax rebate will be provided to the extent of 10% of the motor vehicle tax to be charged from the new motor vehicle being purchased or 50% of the scrap value as mentioned in the certificate of deposit, whichever is lower.
- 7.2. The registration fee rebate will be given to the extent of 25% on the registration of a new vehicle purchased on the basis of a certificate of deposit.

7.3. All kinds of scrapping incentives shall be available only when the new vehicle will be purchased from the state OEM dealers and registered in the State of Haryana only.

8. Dis-incentives

8.1. After the critical age a higher fitness fee shall be charged from the vehicles as per the Central Motor Vehicle Rules.

8.2. Environment compensation charge will be charged at the rate of INR 1 per CC of the vehicle at the time of its fitness testing for vehicles which have completed critical age.

8.3. Road risk charge will be charged at the rate of INR 1 per CC of the vehicle at the time of its fitness testing for vehicles which have completed critical age.

8.4. All other transport services like transfer, hypothecation alteration, NOC etc. shall be extended to the vehicles of critical age at a fee rate of INR 100 more than the fee rate for the vehicles other than that of critical age.

9. Publicity

All OEM dealers shall be bound to display the information about the scrapping facilities available and the process's of available benefits under the scrappage policy.

10. Policy Monitoring & Enforcement

The Transport Department shall be responsible for the policy monitoring, its implementation and preparation an annual report through a consultant or its auditors or the registering authorities.

11. Period

This policy would be effective for five years after the notification in the Official Gazette.