

Department of Transport

Directorate of Transport

Notification

D.Tpt/EST/3041/2022/1303

The Government of Goa is pleased to notify the “Vehicle Scrappage Policy of Goa, 2023”. The Policy will come into effect from the date of notification and will be applicable initially for 5 (five) years.

This Notification shall come into force from the date of publication in the Official Gazette.

By order and in the name of the Governor of Goa.

Rajan Satardekar, Director & ex officio Addl. Secretary (Tpt.).

Panaji, 10th May, 2023.

Registered Vehicle Scrapping Policy of
Goa, 2023

1. *Introduction.*— Automobile Scrappage policy is mutual win-win policy for all the stakeholders. The policy aims at creating an ecosystem for phasing out unfit and polluting vehicles from the State roads and to meet this objective state-of-the-art scrapping and recycling units are needed.

The Ministry of Road Transport and Highways has recently launched the visionary Voluntary Vehicle-Fleet Modernization Program (V-VMP). This Policy is aimed at creating an ecosystem for phasing out old unsafe, polluting vehicles and replacing them with newer safe and fuel-efficient vehicles. The Ministry has also notified the Registered Vehicle Scrapping Facility (RVSF) Rules vide Notification No. GSR 653(E) dated 23-09-2021 to enable setting up of modern vehicle scrapping facilities in India which can recycle the vehicles in an environment friendly manner.

The RVSF policy will help in increasing Automobile sales, provide employment,

reduce import cost, generate incremental GST revenue and help to solve the global shortage of semi conductor chip. The said policy provides an important link in creating circular economy (waste to wealth) for the country. Initially, there should be atleast one RVSF centre to be set up at State level.

The Government of Goa considers that guidelines for disposal of the vehicles should be formulated to offer an authorized place to the registered owners of End-of-Life Vehicles (ELV), to get their vehicles scrapped. Such scrapping guidelines and scrapping procedure will help in ensuring that the vehicles, so scrapped, do not cause damage to environment and there should be a proper disposal of hazardous components of the scrapped vehicles.

In current global scenario, environmental pollution is considered to be the most alarming issue causing climate change, threatening lives of many species. The rising population of vehicles, especially the old vehicles plying on the roads are raising the pollution level. Unlike developed countries, current setup for vehicle recycling in India is extremely unorganized and majority of the vehicles are being routed through the informal sector which does not follow any Legal/Environmental or Ethical norms. The non-scientific manner of recycling causes low material recovery, environmental damage by way of water/air/soil pollution and unsafe working conditions for workers. Current unorganized system also lacks the visibility and transparency in the process for owners and the government.

In this backdrop, the Ministry of Road Transport and Highways (MoRTH) notified the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 vide G.S.R. 653(E), dated 23rd September, 2021 that lays down the procedure for establishment of “Registered Vehicle Scrapping Facility” (RVSF) for carrying out dismantling and scrapping operations of “End

of Life” vehicles, which is applicable to all vehicles and their last registered owners, Automobile collection centres, Automotive Dismantling, Scrapping and Recycling Facilities and recyclers of all types of automotive waste products.

In view of above, Transport Department, Government of Goa has framed the “Registered Vehicle Scrapping Policy of Goa, 2023.”

2. *Objectives and Vision.*— As per Ministry of Road Transport and Highways data, in India, 1.2 crore End-of Life vehicles are estimated to be without valid Registration Certificates and Fitness Certificates. Out of 1.2 crore vehicles to be scrapped across India, approximately 1.92 lakhs vehicles in the State of Goa are estimated as fit for scrapping.

Over the course of next 5 years, additional 3.5 lakhs vehicles registered in Goa will cross the age of 15 and a substantial number of these End-of Life Vehicles (ELV) will be from the commercial category. In the above background Goa has formulated the Registered Vehicle Scrapping Policy-2023 with the following objectives:

- a. Reduce pollution by scrapping old and unfit vehicles.
- b. Improve road, passenger and vehicular safety.
- c. Boost auto sector and generate employment.
- d. Improve fuel efficiency and reduce maintenance cost for vehicle owners.
- e. Formalize the current informal vehicle scrapping industry in Goa.
- f. Boost availability of low-cost raw materials for automotive, steel and electronic industry.
- g. Promoting recycling of vehicle scrap in a scientific manner.
- h. Promoting of circular economy in an eco-friendly manner.

i. Encourage setting up of RVSF.

3. *Short title and application.*— a. These guidelines shall be applicable in the State of Goa.

b. They shall come into force with effect from date of issue.

In the guidelines, unless the context to otherwise requires

i. “Act” means the Motor Vehicles Act, 1988 (59 of 1988).

ii. “Scrapping” means the entire process from receipt and record of the End-of-Life Vehicles’ including depolluting, dismantling, segregation of material, safe disposal of non-reusable parts, and issuance of Certificate of Vehicle Scrapping to the registered owner of a motor vehicle;

iii. “Registered Vehicles Scrapping Facility (RVSF)” means any establishment which holds a Registration for Vehicle Scrapping issued by the Transport Department, Government of Goa under these guidelines for carrying out dismantling and scrapping operations.

iv. “Registration Authority” means the Director of Transport, Government of Goa.

v. “Appellate Authority” means, the Secretary to Transport Department, Government of Goa.

vi. “Enforcement Agency” means Police Department, Industries Department, Goa Waste Management Corporation, Municipal Corporations/Council, Pollution Control Board and Transport Department, Government of Goa and any other applicable Government agencies authorized by the Government.

vii. “ELV” means End-of-Life Vehicles which are no longer validly registered or declared unfit through Automated Fitness Centres or their registrations have been cancelled under Chapter IV of the Act or

due to an order of a Court of Law or self-declared by the legitimate registered owner as a waste vehicle due to any circumstances as specified in MoRTH notification No. GSR 653(E) dated 23-09-2021.

viii. "Certificate of Deposit" means the certificate issued by the Registered Vehicle Scrapping Facility to recognize the transfer of ownership of the vehicle from the registered owner to the Registered Scrapper for further treatment.

ix. "Certificate of Vehicle Scrapping" means the certificate issued by a Registered Vehicle Scrapping Facility to recognize the final disposal of a vehicle.

x. "Collection Centre" means a facility or an area that may be used for the sole purpose of collecting and storing the End-of-Life Vehicles and sending it for further processing at the Scrapping Yard.

xi. The vehicles registered in Goa shall be scrapped only by an authorized RVSF.

xii. Any vehicle originally registered in Goa or registered on transfer from any other State shall be scrapped by an RVSF as mentioned in Goa RVSF policy 2023.

4. *General Conditions & Applicability.*—

a. This policy shall be applicable in the State of Goa.

b. It shall come into force with effect from the date of notification.

c. An RVSF may be owned and operated by any legal entity, be it a person, Firm, Society, Company or Trust established in accordance with law. An application in prescribed Form-I shall be addressed to the Director of Transport, Government of Goa, (Registering Authority) of Registered Vehicle Scrapping Facility (RVSF).

d. An application for RVSF shall be made online at www.nsws.gov.in accompanied

by required documents mentioned in RVSF Rules, 2021 along with non refundable processing fee of Rs. 1,00,000/- (Rupees One Lakh only) & an earnest money deposit by way of a bank guarantee of Rs. 10,00,000/- (Rupees Ten Lakhs), which shall be disposed within a period of 60 (sixty days) from the date of application.

e. The Registration for RVSF shall be valid for an initial period of 10 (ten) years, which shall be renewable for another 10 (ten) years at a time.

f. The Registered Vehicle Scrapping Facility established in Goa may accept and scrap the vehicles registered in any of the State or Union Territory under the jurisdiction of any Registration Authority.

g. After handing over of the vehicles from owner or authorised person to RVSF, the RVSF shall issue the "Certificate of Deposit" as evidence of transfer of ownership of the vehicle. The Certificate of Deposit, which shall be tradeable, shall be a necessary and sufficient document of the owner to avail incentives and benefits for purchase of a new vehicle as may be declared from time to time.

h. All the rules of the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 & other applicable Rules & Regulations have to be complied with by the RVSF.

i. Unless specified otherwise, the definitions in this policy shall be same as given in the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021.

j. Any pending dues on the vehicle to be scrapped shall be cleared before issuing Certificate of Document by the RVSF.

k. An undertaking from the owner or representative, indicating that vehicle has no pending criminal record or litigation and

there are no pending dues on the vehicle shall be taken.

l. Maintain safe custody of cut pieces of chassis number for a period of six months from the date of issue of Certificate of Vehicle Scrapping (CVS) and a physical copy of all documents for two years and scan copies for Ten years for record and examination during inspection.

5. *Eligibility criteria for setting up of RVSF.*— a. They should have office in Goa.

b. Necessary licenses and permissions for the purpose of setting up of RVSF in the State of Goa shall be obtained from Directorate of Industries, Trade & Commerce.

c. The RVSF may be owned and operated by any legal entity, be it a person, Firm, Society, Company or Trust established in accordance with law having the following documents,—

(i) Certificate of Incorporation or Shop Act Registration or Udyam Aadhar;

(ii) Valid Goods and Services Tax Registration;

(iii) If MSME and/or Startup, applicable MSME/Startup documents as per the respective Acts/Scheme will be applicable.

d. The applicant shall have applied for or having an approval for consent to establish from the Registering Authority of the State in which the Registered Vehicle Scrapping Facility is intended to be located.

e. The applicant shall have a minimum turnover of INR 10 crores if a single applicant or combined in case of consortium/joint venture partner. If the applicant is an MSME and or/Startup, then the MSME Act and Start up scheme terms will be extended/exempted to the applicant on case to case basis.

f. Upon issuance of the valid permit to operate RVSF, the applicant shall undertake to meet the minimum technical requirement

for collection and dismantling centers as per Central Pollution Control Board guidelines before beginning operations.

g. The applicant shall have competent manpower and appropriate equipment to carry out the depollution and dismantling activities in a safe and environmentally responsible manner.

h. The applicant shall undertake to obtain the required quality certifications of ISO 9001 (quality management system) or ISO 14001 (environmental certification) or ISO 45001 (occupational health and safety) within twelve months of commencement of operations as a Registered Vehicle Scrapping Facility and RVSF shall ensure that ISO certifications are revalidated atleast 3 months before their expiry.

i. The applicant shall possess or provide an undertaking to obtain consent to operate from State Pollution Control Board within a period of six months from commencement of operations.

j. The applicant shall undertake to abide by the provisions of all applicable Labour codes and all other Acts or Rules as applicable.

k. The applicant shall provide evidence of availability of an adequate useable area of land in the orange zone of the State by way of ownership or agreement to sell or agreement for lease of a minimum period of three years.

l. The applicant shall provide approved plant layout and the building plan.

6. *Criteria for scrapping of vehicles.*— The following vehicles shall be scrapped at an RVSF—

a) Vehicles which have not renewed their Certificate of Registration (RC).

b) Vehicles which have not been granted a certificate of fitness.

c) Vehicles which are 15 years old and above, owned by the Govt./PSUs/ /Govt agencies/Autonomous Councils etc.

d) Vehicles which have been damaged due to fire, riot, natural disaster, accident or any calamity, following which the registered owner self certifies the same as scrap.

e) Vehicles which have been declared obsolete or surplus or beyond economic repair by the Central or State Organisations of the Government and have been offered for scrapping.

f) Vehicles bought by any agency including Registered Vehicle Scrapping Facility in an auction for scrapping the vehicles.

g) Vehicles which have outlived their utility or application particularly for projects in mining, highways, power, farms etc. as may be self-certified by the owner.

h) Manufacturing rejects, test vehicles, prototype, vehicles damaged during transportation from vehicle original equipment manufacturer to dealers or unsold or unregistered vehicles as may be certified by the vehicle original equipment manufacturer.

i) Auctioned, impounded or abandoned vehicles by any enforcement agency.

j) Any other vehicle voluntarily offered to a Registered Vehicle Scrapping Facility for scrapping by the owner.

7. Strategy for effective implementation of Vehicle Scrapping Policy in Goa.— For implementing this scrappage policy in an effective way in the State of Goa to reduce vehicular pollution & to phase out unfit and polluting vehicles, thereby promoting recycling of vehicle scrap in an eco-friendly manner, the followings steps shall be adopted in the State of Goa;

a. Considering the increasing level of vehicular pollution by old vehicles, the State has already imposing a “Green Tax” as per Section 3(A) of Goa Daman and Diu Motor Vehicles Tax Act, 1974 for renewal of Registration of non-transport vehicles and transport vehicles above 15 years.

b. The Government of Goa to promote the use of Battery operated vehicles in the State has exempted the Registration Fees, Motor Vehicle Tax and Permit.

c. To encourage & incentivize people to voluntarily hand over their vehicles to RVSF and in pursuance of MoRTH Notification vide GSR 720(E), dated 5th October 2021, in case a new vehicle is registered against submission of “Certificate of Deposit”, the concession in the motor vehicle tax shall be equivalent to 25% of the tax paid on scrapping vehicles in case of non-transport vehicles and 15% in case of transport vehicles in the State of Goa. This concession shall be available upto 8 years in case of transport vehicles and upto 15 years in case of non-transport vehicles.

d. The vehicles seized and impounded by any enforcement agencies, if found unfit to ply on road, may be disposed through RVSF by following the prescribed procedures.

e. After Fitness testing is made mandatory for transport vehicles in Automated Testing Station (ATS), this shall be made compulsory for all categories of vehicles including Non-Transport vehicles & its fitness testing after 15 years during the time of Renewal of Certificate shall be done only at ATS. Those non-transport vehicles not passing the Fitness test or not granted a certificate of fitness by the ATS shall be handed over to the RVSF for scrapping.

8. Interpretation.— The decision of the State Government in regards to interpretation of any clause of the policy shall be final and binding.

9. *Tax Concession for End of Life Vehicle (ELV) owners.—*

Sr. No.	Rule 51A of CMVR 1989 Concession in Motor Vehicle Tax against submission of “Certificate of Deposit”	Concession in M.V. Tax
1	Non-Transport Vehicle	<p>The tax concession to be given for newly registered vehicles against submission of COD shall be equivalent to 25% of tax paid on the scrapping vehicles.</p> <p>NOTE:</p> <ol style="list-style-type: none"> 1. For the concession in tax for two wheeler, certificate of deposit of two wheeler shall be submitted. 2. For the concession in tax for light motor vehicle, certificate of deposit of light motor vehicle shall be submitted. 3. For the concession in tax for commercial vehicle, certificate of deposit of commercial vehicle shall be submitted.]”
2	Transport Vehicle	<p>The tax concession to be given for newly registered vehicles against submission of COD shall be equivalent to 15% of tax paid for a period of 8 years from the date of registration of the scrapping vehicles.</p> <p>NOTE:</p> <ol style="list-style-type: none"> 1. The concession in MV Tax as above will be applicable for Five years from 01-04-2023/date of commencement of the RVSF policy. 2. To encourage the scrapping of End-of Life vehicles, the tax concessions shall be given for all age of vehicles being scrapped.

10. *Rights Of The State Government.—* a. The State Government reserves the right to amend any provision(s) including amendment or withdraw any of the incentives/subsidies as and when necessary for promotion of scrapping of unfit and end of life vehicles and in the interest of the general people of the State from time to time under the provision of the Policy.

b. The State Government reserves the right to review the matter regarding sanction/ /disbursement of subsidies/incentives and in this connection, the State Government's decision shall be final and binding.

c. State Government may engage an independent agency to study and recommend the number of RVSF viable for the state and locations thereof.

d. The State Government reserves the right to make/amend the necessary rules for implementation of this policy as and when required.

11. *Rights to inspection.—* In order to ensure compliance of these guidelines the authorized RVSF should keep office and scrapping yard, records, register maintained by him and all the machineries, equipments, operators in the premises at all the regional time, open for the inspection by the Registration Authority or authorized representative of Transport Department.

12. *Payment For Scrapping Vehicles.—* The payments for the scrapped vehicles to be made for the owners of ELVs as per the MoRTH Notification No. GSR 653(E) dated 23-09-2021.

13. *Applicable Acts & Rules.—* Provisions of the following Acts/Rules and amendments thereof are applicable.

- 1) The Goa Daman & Diu Motor Vehicles (Taxation on Passengers & Goods) Act, 1974.
- 2) The Goa Daman & Diu Motor Vehicles Tax Act, 1974.

3) The Motor Vehicles Act, 1988.

4) The Central Motor Vehicles Rules, 1989.

5) The Goa Motor Vehicles Rules, 1991.

6) The Goa Rural Improvement & Welfare Cess Act, 2000.

14. *Penalty.*— In case of any violation of these Guidelines, the Registration Authority may forfeit the security amount in part or full or/and may also cancel the registration of any RVSF. However, an opportunity of hearing will be given before forfeiture of security and before issuance of cancellation orders.

15. *Audits And Certifications.*— (i) The Registered Vehicle Scrapping Facility (RVSF) shall be audited by the Registration Authority for compliance with Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021.

(ii) The Registration Authority may delegate the powers of auditing.

(iii) RVSF may be audited by the competent authority or any such agency on behalf of competent authority for regulatory and compliance audit, audit of mass flow statement as maintained in Form-3 by the RVSF and all conditions stipulated by the Ministry of Road Transport and Highways vide Notification No. GSR 653 (E) dated 23-09-2021 and GSR 192(E) dated 10-03-2022 and any conditions that may be imposed from time to time.

(iv) Audit report shall be uploaded on the portal by the RVSF annually by the 31st May of that Financial Year.

(v) An yearly report of ELVs scrapped shall be furnished in the format prescribed by the Transport Department.

16. *Appeal.*— (i) Any person aggrieved by any order of the Registration Authority for forfeiture of security or issuance of cancellation orders, may within thirty days of the date of receipt of such order prefer an appeal before the Appellate Authority within 30 (thirty) days of issuance of penalty order.

(ii) The appeal shall be preferred in duplicate in the form of an application, setting forth the grounds of objections to the order of the Registration Authority and shall be accompanied by a certified copy of the order appealed against and fee of Rs. 1,000/- (Rupees One thousand only).

By order and in the name of the Governor of Goa.

Rajan Satardekar, Director of Transport & ex officio Addl. Secretary (Tpt.).

Panaji, 10th May, 2023.

Note:—

- Scrapping of vehicle may reduce air and noise pollution to a considerable extent. People will look forward for buying environment friendly, safe and technology advanced vehicles.

- Improve passenger and vehicular safety.

- Generate employment in the automobile industry.

- Formulize the current informal vehicle industry.

- Improve fuel efficiency and reduce maintenance cost for vehicle owners.

- Increase availability of low cost raw materials for automotive steel and electronic industry.

- With old vehicles being scrapped, the demand for new vehicle will raise and State will get revenues through GSTs and road tax.

- The automobile sector will benefit from new scrapping policy leading to more job opportunities.

- Vehicle owners might receive tax concession benefits as an incentive.

- Segregate of deposits issued by RVSF is tradeable.

- The RVSF model assumes a slow adoption of VVMP (Voluntary Vehicle Fleet Modernization Program) starting 10% of increase in FY23 to maximum of 65% in FY29.

- No requirement for physical visit to RTOs.

- Ease of doing business measures have been taken for seamless scrapping of vehicles.

- Industries will have very attractive business advantage by purchase of equipments to RVSF like Baler, Depolluting Machine, Tilting Machine, Radiation Detector, Weighbridge, Forklifts, Cranes, Shredder/Hammer mill, Cyclone Separators, Magnetic Separators, Eddy Current Separators and Drum Magnets.