

Haryana Vehicle Scrappage Scheme

Objectives of the Scheme

In order to promote a circular economy, making the process of economic development more sustainable and environment friendly, there is a need to phase out old and unfit vehicles in a methodical and environment-friendly manner. Government of India also rolled out Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 to find out the vehicles unfit for the road which are creating pollution in the environment and then recycle them in a methodical way. In the spirit of the same, the State has decided to promote participation of private sector in establishment and operations of Vehicle Scrapping Facilities in the State.

Definitions:

- **Registration Authority:** Commissioner (Transport) or any other Officer designated by the Government of the State for this purpose.
- **Appellate Authority:** any officer above the rank of Registration Authority as nominated by the State
- **Registered Scrapper:** a person, firm, society, trust, or company owning and operating a Registered Vehicle Scrapping Facility
- **Registered Vehicle Scrapping Facility (RVSF):** any establishment which holds a Registration for Vehicle Scrapping issued under Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 for carrying out dismantling and scrapping operations
- **Certificate of Deposit:** certificate issued by the RVSF to recognize the transfer of ownership of the vehicle from the registered owner to the Registered Scrapper for further treatment.
- **Certificate of Vehicle Scrapping:** certificate issued by an RVSF to recognize the final disposal of a vehicle.
- **End-of-Life Vehicles:** all vehicles which are no longer validly registered, de-registered vehicle or declared unfit through Automated Fitness Centres or their registrations have been cancelled under Chapter IV of the Motor Vehicles Act, 1988 (59 of 1988) or due to an order of a Court of Law or are self-declared by the legitimate registered owner as a waste vehicle due to any circumstances as specified in the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021.
- **De-registered Vehicle:** Vehicles having age of 10 years and 15 years in case of diesel and petrol respectively in NCR. Once the vehicle has been deregistered it cannot be granted NOC for sale outside NCR. In case of failure of the owner to sell the vehicles outside NCR after three months from date of receipt of notice from the police department, above mentioned vehicles will be de-registered.
BS-I and BS-II vehicles that are older than 15 years in NCR shall be de-registered automatically without the notice. De-registered vehicles will be sent for scrapping and the sale proceeds received from the scrapping of vehicles to be given to the owner net of any expenses incurred by the department.
- **Registered owner of an End-of-Life Vehicle:**
 - i. Owner of the vehicle as defined in clause (30) of section 2 of the Motor Vehicles Act, 1988 (59 of 1988); or
 - ii. Person who has gained ownership of the vehicle in a public auction in accordance with rule 57 of the Central Motor Vehicle Rules, 1989

- **Scrapping:** 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

Quantum of Assistance

- **Capital Subsidy:** 25% of FCI up to INR 50 lakhs for the investment made on Plant & Machinery and building of RVSF. The capital subsidy will be restricted to first RVSF in each district of the State of Haryana.
- All other incentives such as NET SGST subsidy, stamp duty, interest subsidy, electricity duty exemption etc. shall be applicable as per Haryana Enterprises & Employment Policy, 2020.

Commencement and Applicability:

The scheme shall commence with effect from the date of notification and shall remain in operation till for a period of 5 years or till the time Government decides to discontinue this scheme, whichever is earlier.

Time limit:

The enterprise shall forfeit its entitlement for the subsidy, if it does not submit its claim, complete in all respects within three months of the commercial production of the establishment for which it is being claimed.

Interpretation/ Clarification

The Administrative Secretary Industries and Commerce, Haryana shall be competent to make interpretation/clarification of provisions of this scheme.

Obligations of RVSF

RVSF shall undertake verification of the persons handing over the vehicle for scrapping to determine the bona fide of the vehicle owner or his authorized representative and retain a copy of the same for record for a minimum period of six months

Criteria for Scrapping of Vehicles

- All End-of-Life vehicle shall come under criteria of Scrapable vehicle. Further, Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021

Scrapping Procedure:

- The scrapping of vehicles shall be carried out by a Registered Scrapper in respect of all End-of-Life Vehicles as mentioned under Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021

Certificate of Vehicle Scrapping

The Registered Scrapper, after completing the necessary treatment, shall issue a Digital Certificate of Vehicle Scrapping, including a digital photograph of the cut out of the Chassis, in Form- 4 of Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 to update the National Register, VAHAN Database and inform the competent authority of the State.

Eligibility

- The RVSF may be owned and operated by any legal entity, be it a person, firm, society, or trust established in accordance with the applicable laws.
- The entity must possess the following documents: -
 - i. Certificate of Incorporation or Shop Act Registration or Udyam Aadhar
 - ii. Valid GST registration
 - iii. Valid PAN

Additionally, the entity: -

- Should have applied for or be in possession of an approval for consent to establish from the competent authority of the State
- Shall undertake to meet the minimum technical requirement for collection and dismantling centres as per Central Pollution Control Board Guidelines.
- Should have competent manpower and appropriate equipment to carry out the depollution and dismantling activities in a safe and environmentally responsible manner.
- Shall undertake to obtain the required quality certifications of ISO 9001(quality management system)/ISO 14001(environmental certification)/ISO 45001 (occupational health and safety) within 12 months of commencement of operations.
- Should possess, or provide an undertaking to obtain, a consent to operate from State Pollution Control Board, within a period of six months from commencement of operations
- Should Undertake to abide by the Provisions of all applicable Labour codes and all other Acts/Rules as applicable.
- Shall provide evidence of availability of an adequate useable area of land in the orange category industrial zone of the State by way of ownership or agreement to sell or agreement for lease of a minimum period of three years.
- Should be in possession of necessary cyber security certifications.
- Should provide approved plant layout and the building plan
- Should follow all norms mentioned under Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 updated by Ministry of Road Transport time to time.
- Should be approved and registered as RVSF under Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021

Procedure to apply for financial assistance under the scheme:

- i. Application on prescribed form (**Annexure-I**) for the grant of Capital Subsidy Scheme and prescribed form (**Annexure-II**) in case of assistance for environment compliance for RVSF along with listed documents, would be submitted to the Director General, Industries & Commerce Department, Haryana on the web portal of the department.
- ii. The application would be processed and examined by Joint Director, District Industries Centres, Haryana. He will be responsible for scrutiny and shall clearly recommend for approval/rejection of the claim after conducting inspection of the unit. Joint Director/Deputy Director, District Industries Centre shall physically visit the unit and verify the eligibility of plant & machinery as per the claim. The deficiencies, if any, would be communicated to the applicant in writing within a period of 10 working days and the applicant would be given a time period of 15 working days to rectify the deficiencies so pointed out.

- iii. In case the deficiencies are not removed within prescribed period, the claim may be filed by the Competent Authority, under intimation to the applicant through e-mail.

Competent Authority for sanction of Incentives:

The Director General, Industries and Commerce, Haryana shall be competent authority for sanction of the incentives.

Appeal

An appeal against an order passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of orders appealed against. The orders passed by the Administrative Secretary, Industries & Commerce, Haryana in appeal shall be final.

Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government. If the applicant fails to refund the subsidy amount with interest, then the amount shall be recovered as arrear of land revenue. The applicant shall be debarred from public procurement as a result of mismatch in facts and figures.

Vijayendra Kumar, IAS
Principal Secretary to Govt. Haryana,
Industries & Commerce Department.

Application format

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Factory address of the unit with telephone no. & email	
3	Registered Office address	
4	Name of the block in which the enterprise located and category of blocks i.e. C/D	
5	Category of the unit (Micro/Small/ Medium/ Large/)	
6	Haryana Udyam Memorandum No. & date	
7	Udyam Registration Certificate No. & date	
8	Entrepreneur Memorandum (EM) part-II No. & date	
9	Date of commencement of commercial production of the unit (As per first sale bill)	
10	Item of manufacture/processing	
11	Category under which subsidy has been claimed: Micro/ Small/ Medium/ Large	
12	Name of the bank/ financial institution	
13	Quantum of term loan sanctioned.	
14	Date of disbursement of first installment of loan & amount	
15	Total source of funding / means of finance (as approved by Bank/FI): <ul style="list-style-type: none"> • Promoter's contribution • Term Loan • Other resources Total 	

Copies of documents to be attached with the application:

- i. Copy of Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM).
- ii. Certificate of Incorporation/ Partnership deed
- iii. Acknowledgement of Entrepreneur Memorandum (EM) part-II.
- iv. Board resolution/ Power of attorney
- v. Change of Land Use (CLU)/ NOC from competent authority, if applicable
- vi. Declaration (**As in Annexure-III**) on non-judicial stamp paper of INR50
- vii. CA Certificate regarding investment in plant & machinery for new unit/expansion/ diversification (**Annexure-IV**)
- viii. Audited balance sheet of the unit of last year (if Applicable)
- ix. Copy of first sale bill

Signature of the applicant (with seal)

Application format for claiming Assistance for Environment Compliance

Sr. No.	Particular	Details
1.	Name of the applicant (Authorized person of the unit)	
2.	Name & Address of the unit with telephone No. and e-mail	
3.	Registered/Work office address	
4.	Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM) No. with date.	
5.	Entrepreneur Memorandum (EM) part-II No. & date	
6.	Item of manufacture/processing	
7.	Category of the unit (Micro/Small/Medium)	
8.	Details of new pollution control equipment installed on which assistance has been claimed:	
	a. Cost of the Effluent treatment Equipment's	
	b. Cost of the Air Pollution Control Devices	
	c. Cost of Civil Works	
	Total	
9.	Amount of subsidy claimed @ 50%/75%	

9. Self-attested copies of documents to be attached with the application:

- i. Copy of Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM).
- ii. Certificate of Incorporation/ Partnership deed/Partnership registration/ Co-operative society registration.
- iii. Board resolution/ Power of attorney.
- iv. CA certificate of details of Expenditure incurred (in original) (**Annexure-V**).
- v. Certificate from Regional Officer of Pollution Control Board(**Annexure-VI**).
- vi. Certificate from Regional Officer of Pollution Control Board in case of Zero Liquid Discharge claim.
- vii. Change of Land Use (CLU)/ NOC from competent authority, if applicable.
- viii. Copy of GST return/Audited Balance Sheet for last financial year.

Signature of the applicant with seal

Annexure-III

Declaration (on non-judicial stamp paper of INR 50 duly notarized)

1. I, do hereby solemnly state that I am proprietor/partner/director/ of M/s..... located at and I have been authorized to file the Capital Subsidy claim with the Directorate of Industries & Commerce, Haryana.
2. I do hereby affirm that the particulars given in the application are correct. In case, any of the statement/information furnished in the application/documents later found to be wrong or incorrect or misleading, I do hereby undertake to refund the entire amount of assistance of INR...../- [INR (in words)] granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant
(with seal)

DRAFT

Annexure-IV

Certificate from Chartered Accountant regarding investment in plant & machinery and Building
(on a CA letter head)

To whom it may concern

The records and books of account of M/s..... with their regd. office at..... and enterprise located at..... in respect of investment in existing plant & machinery (original purchase value) of the unit has been verified. It is certified that the investment in plant & machinery as on date..... stands as INR..... and turnover for current fiscal year is INR....., whereas turnover for last fiscal year was INR

Name & signature of the Chartered Accountant

UDIN: with stamps & CA membership number

Dated:

DRAFT

Annexure-V

Certificate from Chartered Accountant regarding investment setting up of Effluent Treatment Plant (on a CA letter head)

To whom it may concern

The records and books of account of M/s..... with their regd. office at..... and enterprise located at..... in respect of investment in existing plant & machinery (original purchase value) of the unit has been verified. It is certified that the investment in plant & machinery as on date..... stands as INR..... and turnover for current fiscal year is INR....., whereas turnover for last fiscal year was INR

Name & signature of the Chartered Accountant

UDIN: with stamps & CA membership number

Dated:

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Certificate from Regional Officer of State Pollution Control Board

No. _____ Date Certified that the Effluent Treatment Plant/Air pollution control devices (whichever is applicable) has been installed on in accordance with the scheme approved by the Haryana State Pollution Control Board under the Water Act, 1974/Air Act,1981.

Regional Officer
Haryana State Pollution Control Board
District-----

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