



ENVIRONMENT

REGULATORY

Towards a Regulated End-of-Life Vehicle Regime: Decoding the Draft Motor Vehicles (RVSF) Amendment Rules, 2026

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The regulatory framework governing vehicle scrapping in India is poised for a significant transformation with the Ministry of Road Transport and Highways (MoRTH) publishing a draft notification on 17 June 2026, proposing comprehensive amendments to the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021. The original rules, notified on 23 September 2021 under G.S.R. 653(E), were enacted pursuant to the Motor Vehicles Act, 1988, to establish a structured regime for the registration, operation, and oversight of Registered Vehicle Scrapping Facilities (RVSFs). The proposed amendments, issued under the powers conferred by Section 59(4) and Section 64(p) of the Motor Vehicles Act, 1988, read with Section 212(1) thereof, and published as G.S.R. 490(E) in the Gazette of India, Extraordinary, Part II, Section 3(i), introduce a series of substantive changes aimed at enhancing operational standards, digital integration, and enforcement mechanisms. Stakeholders and affected persons have been afforded a window of thirty days from the date of the notification to submit objections or suggestions to the Additional Secretary (Transport), thereby ensuring a participatory regulatory process before the rules attain finality.

The draft amendment rules are proposed to be titled the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Amendment Rules, 2026, and shall come into force on the date of their publication in the Official Gazette. One of the foundational changes proposed is the substitution of the definition of “End-of-Life Vehicles” (ELVs) under Rule 3(1)(f). The revised definition is substantially broader and now encompasses all vehicles that are no longer validly registered, those declared as end-of-life under Chapter XI of the Central Motor Vehicles Rules, 1989, vehicles whose registration has been cancelled under Chapter IV of the Motor Vehicles Act or by an order of a court of law, and vehicles self-declared as waste by the legitimate registered owner, the Central Government, a State Government, or any person or authority vested with the right to dispose of such vehicles under the rules. This expansion ensures that the regulatory net captures a wider array of decommissioned vehicles, thereby preventing regulatory arbitrage and ensuring that vehicles exiting the operational stream are channelled through authorized scrapping facilities.

In a move towards greater digital governance, the draft introduces a new clause (q) in Rule 3(1) to define the term “Portal.” The Portal is envisaged as the centralized platform developed and maintained by the Central Government, currently designated as ‘Vscrap’, which is integrated with the VAHAN database, or any other platform that may be developed or notified by the Central Government from time to time for the purposes of these rules. This definitional insertion is critical as it lays the statutory foundation for the electronic verification and data integration requirements that permeate the subsequent amendments, particularly in relation to the issuance of scrapping certificates and the cancellation of vehicle registrations.

A significant structural addition is the insertion of new Rule 8A, titled “Cancellation of registration in case of destruction or scrapping of vehicle.” This rule mandates that a Registering Authority shall not accept any report for the cancellation of registration of a motor vehicle on the ground of destruction unless such report is accompanied by a Certificate of Vehicle Scrapping in Form 4 issued by a Registered Vehicle Scrapping Facility and duly verified electronically through the VAHAN database. This provision effectively creates a statutory gatekeeping mechanism, ensuring that registration cancellation is contingent upon verified scrapping through authorized channels. However, a proviso has been thoughtfully incorporated to exempt vehicles destroyed on account of fire, riot, natural calamity, or any other cause where recycling is not possible, from the requirement of producing a Certificate of Vehicle Scrapping. This carve-out acknowledges the practical realities of force majeure events and prevents undue hardship to vehicle owners in exceptional circumstances.

The draft further proposes to amend Rule 10(1)(xvii) by substituting the reference to “six months” with “twelve months,” thereby extending the relevant compliance or operational timeline. Additionally, Rule 12(1) is proposed to be amended to require RVSFs to install prescribed infrastructure and to maintain it, thereby imposing an ongoing operational duty that extends beyond the initial establishment phase and ensures sustained compliance with facility standards.

Perhaps the most operationally consequential amendment is the overhaul of Rule 13, which now mandates the installation, maintenance, and operation of specific equipment as detailed in the newly inserted Table A. The erstwhile generic requirement for a depollution system, preferably with zero discharge, has been replaced by a precise, category-wise equipment mandate. Table A enumerates nineteen distinct categories of mandatory equipment, each accompanied by detailed technical specifications. These include depollution equipment tailored for two-wheelers and three-wheelers, light motor vehicles, and medium and heavy vehicles; urea recovery systems with a minimum tank capacity of 200 litres; hydraulic ramps and lifts with specified load capacities; air conditioning gas recovery units; LPG and CNG recovery systems; portable power and pneumatic tools; hydraulic shears and pneumatic reciprocating saws for catalytic converter removal; hand-held tools; center punches with collection bags for glass breakage; windshield removal tools; wheel poppers; airbag deployment units with defined safety

parameters; baling presses capable of producing bales up to twenty-four inches by twenty-four inches; fluid separator tanks with a minimum capacity of 200 litres; radiation detection systems capable of detecting levels at or above 0.01 microsieverts per hour; effluent treatment plants with a minimum capacity of 5 kilolitres per day; and plasma cutter-inverters for controlled metal cutting. A proviso further stipulates that any RVSF registered prior to the commencement of these amendment rules must ensure full compliance with Table A within a period of one year from the date of publication of the notification, thereby providing a reasonable transition period for existing operators while ensuring eventual uniformity.

Consequential to the insertion of Table A, Rule 13(8)(b) is proposed to be amended to replace the existing descriptive list of equipment with a concise reference to “All equipment specified in Table A along with,” thereby ensuring internal consistency within the rules. The audit and compliance architecture under Rule 14 has also been substantially fortified. The audit framework now explicitly requires an assessment of the installation and operational condition of equipment specified in Table A under Rule 13(6). The audit report must be filed in the newly prescribed Form 5. The terminology in Rule 14(3) has been updated to replace “Registered Scrapper” with “agency conducting the audit,” reflecting a more accurate delineation of roles. Crucially, a new proviso empowers the Central Government or the Registration Authority to suspend the registration certificate of an RVSF if the audit report is not uploaded within the prescribed period, with such suspension continuing until satisfactory compliance is demonstrated. A further proviso authorizes the Registration Authority to initiate cancellation proceedings if the registration certificate remains suspended for more than three months. Additionally, a new sub-rule (6) empowers the Central Government to issue guidelines prescribing actions against RVSFs in case of breach of the rules, thereby creating a dynamic, responsive enforcement mechanism.

The newly inserted Form 5 is a comprehensive audit and assessment report template for RVSFs. It is structured into five parts: general information concerning the audit and the facility; facility details including registration certificate, Consent to Operate, land area, and built-up area; a sample check of scrapped vehicles with fields for vehicle category, registration number, Certificate of Deposit, Certificate of Vehicle Scrapping, and geo-tagged photographic evidence; detailed audit findings across facility standards, mandatory equipment verification, and process compliance including environmental safeguards; and annual return findings. This standardized reporting format is expected to introduce uniformity, transparency, and accountability in the audit process.

The proposed Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Amendment Rules, 2026, represent a decisive stride towards institutionalizing a strong, transparent, and environmentally compliant vehicle scrapping regime in India. By mandating precise equipment standards through Table A, integrating operations with the VAHAN database via the Vscrap portal, tightening audit disciplines through Form 5, and introducing stringent consequences for non-compliance including suspension and cancellation of registration, the amendments seek to eliminate informal and environmentally hazardous scrapping practices. The one-year grandfathering period for existing facilities, coupled with the exemption for destroyed vehicles, demonstrates a balanced regulatory approach that reconciles stringent standards with operational pragmatism. As the thirty-day stakeholder consultation period progresses, the final shape of these rules will significantly determine the efficacy of India’s end-of-life vehicle management framework and its alignment with both environmental sustainability goals and the circular economy paradigm.

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