SCRAP, RECYCLE, REVIVE: REIMAGINING INDIA'S AUTOMOTIVE FUTURE

Anika Tripathi, Narsee Monjee Institute of Management Studies

ABSTRACT

India's Vehicle Scrappage Policy (2021), officially known as the Voluntary Vehicle-Fleet Modernisation Program (V-VMP)[1], represents a strategic initiative to phase out overage, unfit, and high-emission vehicles in order to combat air pollution, enhance road safety, stimulate the automotive sector, and advance a circular economy. With an estimated large number of vehicles exceeding 15–20 years of age, contributing significantly to vehicular emissions, often 10–12 times higher than modern BS-VI compliant models[2] The policy mandates automated fitness testing at Automated Testing Stations (ATS) and requires the deregistration and responsible dismantling of failed vehicles at Registered Vehicle Scrapping Facilities (RVSFs).

This paper provides a comprehensive examination of the policy's framework, including vehicle categorisation (private, commercial, government, and vintage), the scrapping process via the vscrap portal, issuance of Certificates of Deposit (CoD), and associated incentives such as road tax concessions and discounts on new vehicle purchases. It conducts a comparative analysis with established global models from Germany (EU ELV Directive and cash-for-clunkers), Japan (Automobile Recycling Law), the United Kingdom, and Canada, highlighting India's evolving approach toward formalised recycling and manufacturer responsibility.

The analysis explores the policy's dual environmental and economic impacts, including projected reductions in vehicular emissions (potentially 15–20%), support for India's net-zero by 2070 ambitions, job creation (up to 50,000 direct jobs), increased demand for new vehicles, and supply of recycled raw materials. However, implementation faces significant challenges, including limited infrastructure (with only modest progress in scrappage numbers, approximately 350,000 vehicles scrapped by mid-2025[3] against ambitious annual targets of over 500,000 by 2026), insufficient incentives, uneven

[1] Ministry of Road Transport and Highways, *Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021*, G.S.R. 653(E) (Sept. 23, 2021)
[2] Centre for Science and Environment, *Report on Vehicular Pollution and the Impact of Aging Fleets in India* (2022).
[3] Press Information Bureau, *Update on Voluntary Vehicle-Fleet Modernization Program*, Ministry of Road Transport and Highways (June 15, 2025).

state-level adoption, inadequate hazardous waste management, and low public awareness.

The paper concludes that while the policy lays a strong foundation for sustainable mobility and industrial revitalisation under the motto "Scrap, Recycle, Revive", its success hinges on addressing execution gaps through enhanced incentives, uniform nationwide enforcement, expanded infrastructure, stronger public outreach, and integration with complementary measures like green taxes. Aligning closely with international best practices will be essential to realize the full potential of this transformative framework.

INTRODUCTION:

From the earliest automobiles to today's electric revolution, vehicle lifespan has shaped economies and environments. As India modernises its transport infrastructure, scrapping outdated vehicles is no longer a choice but a necessity. From a statistical perspective, over 21 million vehicles in India are past their roadworthy age, significantly contributing to pollution and inefficiency. This ultimately impacts the environment, economy, road safety, health, and the overall development of any country.

The Indian Vehicle Scrapping Policy, also known as the Voluntary Vehicle-Fleet Modernisation Program (V-VMP).

The policy is designed to foster a **sustainable ecosystem**, ensuring the **responsible retirement of unfit and polluting vehicles** in an environmentally friendly manner. By eliminating inefficient and high-emission vehicles, it aims to **boost safety, enhance fuel efficiency, and promote a cleaner environment**, setting the stage for a **modernised and sustainable automotive future.**

Central Focus Areas Driving the Policy Are:

- Reduce pollution by getting rid of about 1 Cr cars that aren't properly registered and fit.
- Improve road, passenger, and vehicular safety.
- Boost auto sector sales and generate employment.
- Reduce maintenance expenses for car owners and increase fuel efficiency.

- Formalise the currently informal vehicle scrappage industry.

- Boost the availability of low-cost raw materials for the automotive, steel, and electronics industries.[4]

Rationale behind scrapping old vehicles:

Before implementing any policy, one must always be aware of the rationale behind the policy. The current scrapping policy is driven by several key rationales, which are:

- Improving air quality: One of the primary drivers is its potential to improve air quality by phasing out high-emission, outdated vehicles. Older vehicles contribute significantly to air pollution due to inefficient fuel combustion and outdated technology.

- Road safety: The policy plays a vital role in enhancing road safety by removing old, unfit vehicles that pose risks due to mechanical failures and outdated safety features. These vehicles contribute to accidents, breakdowns, and hazardous driving conditions, endangering passengers and pedestrians alike.

- Promoting circular economy: It plays a crucial role in advancing a circular economy by ensuring that end-of-life vehicles are systematically dismantled, recycled, and repurposed. Instead of discarding old vehicles as waste, the policy facilitates the recovery of valuable materials like steel, aluminium, and electronic components, reducing dependency on raw material extraction.

- Boosting the automotive industry: The policy serves as a catalyst for growth in the automotive industry by stimulating demand for new vehicles. As older, inefficient models are phased out, consumers are encouraged to invest in modern, fuel-efficient cars, driving up sales and production.

Global perspective on scrapping:

Many countries across North America, Europe, Japan, and Australia have long-standing vehicle

[4] NITI Aayog, *Strategy for Promoting a Circular Economy in the Secondary Steel Sector* (2019).

scrappage policies, some of which date back over a decade.

The global economic recession of 2008 acted as a turning point, prompting several nations to introduce incentive-driven scrappage programs to revive their struggling automotive sectors. Governments offered financial benefits to consumers who traded in outdated vehicles for low-emission, fuel-efficient alternatives, aligning economic recovery with environmental sustainability.

Countries like Germany, the United States, and the United Kingdom have successfully implemented scrappage schemes, often integrating them with broader climate action policies.

Some nations have taken a step further, mandating the replacement of vehicles with electric or hybrid models, thereby reinforcing their commitment to a greener transportation future.

Driving Policy Forward: The Structural Pillars of Vehicle Recycling.

Scrapping refers to the process of discarding, removing, or dismantling something, often to recover valuable materials for recycling or reuse. Similarly, vehicle scrapping involves retiring old, unfit vehicles and breaking them down into reusable components like metal, electronics, and plastics to minimise waste and promote sustainability.

Under the Vehicle Scrappage Policy, all heavy commercial vehicles must undergo mandatory fitness tests at authorised Automated Testing Stations (ATS) to assess their roadworthiness.[5]. If a vehicle exceeds 15 years and fails the fitness test, it will be de-registered and classified as an End-of-Life Vehicle (ELV), making it eligible for scrapping.

Vehicle categorisation under the scrappage policy:

- Private vehicle: These include personal cars and two-wheelers. After 15 years, they must undergo a mandatory fitness test at an Automated Testing Station (ATS). If the vehicle passes, its registration can be renewed for five years. However, if it fails, it is deregistered and scrapped, preventing unsafe and high-emission vehicles from remaining on the roads.

[5] Central Motor Vehicles (Eighth Amendment) Rules, 2022, G.S.R. 272(E) (Apr. 5, 2022).

- Commercial Vehicles: Used for business purposes, such as buses, trucks, and taxis, these vehicles undergo frequent fitness tests every two years for the first eight years, then annually until they reach 15 years. If a commercial vehicle fails a fitness test after 15 years, it must be scrapped

- Government Vehicles: All Central and State government-owned vehicles older than 15 years are mandatorily scrapped, regardless of their fitness status.

- Vintage Vehicles: Typically, over 50 years old, these vehicles are exempt from standard scrappage rules due to their historical and cultural significance. However, they must still meet basic safety and environmental standards to remain operational.

What is an automated testing station (ATS)?

An Automated Testing Station (ATS) is a specialised facility that employs mechanical and digital equipment to conduct automated fitness tests for vehicles, ensuring compliance with safety and emission standards. These stations streamline the testing process, reducing human intervention and enhancing accuracy.

For **commercial vehicles (transport)**, fitness testing is required **every two years** until the vehicle reaches **eight years of age**, after which it must undergo testing **annually**. For **personal vehicles (non-transport)**, fitness testing is conducted **at the time of registration renewal (after 15 years)** and subsequently **every five years** if the renewal is applied.

Process followed at an ATS facility centre:

- The vehicle arrives at the **Automated Testing Station (ATS)** at its **pre-booked time slot**, ensuring a streamlined and efficient testing process.

- Document verification is conducted by the ATS staff prior to the fitness assessment, which is followed by a visual inspection under CCTV surveillance to verify compliance. Photographic evidence is also stored for six months for audit purposes.

- The vehicle then moved into the testing lane, where it underwent an automated functional assessment across three stations. Tests include braking efficiency, suspension performance, emission levels, and steering responsiveness, ensuring

compliance with safety and environmental standards.

- Finally, all test results are masked with encrypted data to maintain security and prevent tampering. Upon completion, an automated test report is generated, providing a transparent and standardised evaluation of the vehicle's fitness.

Fitness certificate:

Fitness certificates are officially issued by the ATS after successful completion of the fitness test, ensuring that only roadworthy and environmentally compliant vehicles remain operational. These certificates serve as proof of compliance with safety and emission standards, playing a crucial role in registration renewal and continued vehicle usage.

The Automated Fitness Management System (AFMS) seamlessly integrates with the VAHAN portal, ensuring easy access to fitness certificates and test results for vehicle owners.

The fitness status is automatically updated across various VAHAN-linked applications, including mParivahan, VAHAN Citizen Services, e-Challan, and the RTO portal, allowing authorities and vehicle owners to track compliance effortlessly.

What occurs if the car doesn't pass the fitness test?

If a vehicle fails the fitness test at an Automated Testing Station (ATS), it is deemed unfit for road use and classified as an End-of-Life Vehicle (ELV).

Further, the vehicle is **deregistered** from the **VAHAN portal**, making it illegal to operate on public roads. The owner is then required to **send the vehicle to a Registered Vehicle Scrapping Facility (RVSF)** for responsible dismantling and recycling.

How does the process of scrapping work?

The Voluntary Vehicle Scrapping Application (vscrap portal) provides motor vehicle owners with a digital platform to apply online for scrapping their old vehicles at any Registered

Vehicle Scrapping Facility (RVSF) across the country. A Certificate of Vehicle Scrapping (CVS) will be issued after the procedure of dismantling and disposing of the vehicle has been completed.

Comparative analysis of India's policy with other nations:

Across the globe, **vehicle scrapping** has evolved into a structured, sustainability-driven industry. Countries like **Germany, Japan, the UK, and Canada** have long-established frameworks that emphasise **environmental protection, resource recovery, and the circular economy principle.**

Germany:

Germany has adopted a range of vehicle scrapping policies aimed at both reducing emissions and revitalising its automotive sector. One of the most notable efforts was the 2009 "cash-forclunkers" program, which led to the scrapping of over 1.78 million vehicles, offering financial incentives to consumers who replaced old, polluting cars with newer, cleaner models. Their long-term scrappage strategy emphasises **environmental sustainability**, guided by the **EU End-of-Life Vehicle (ELV) Directive.**[6], which mandates **95% material recovery** from scrapped vehicles. Over **1,300 certified centres** manage the safe dismantling, ensuring **hazardous materials are removed,** and components like **steel, aluminium, and catalytic converters** are efficiently reclaimed.

Studies suggest that a well-designed scrappage program could significantly accelerate **greenhouse gas reductions** from Germany's 49 million passenger cars, helping meet its **2030 transport sector targets.**

Japan:

In Japan, approximately three to four million vehicles are scrapped annually, with a strong emphasis on resource recovery. Valuable materials like iron, aluminium, and copper are efficiently recycled and reintegrated into manufacturing. However, the shredder residue—a mix of plastics, foam, and other non-metallic waste left after dismantling—was historically landfilled in large quantities, posing environmental challenges.

To address this, Japan enacted the Automobile Recycling Law in 2002[7] (fully enforced from 2005), which mandates the proper treatment of shredder residue, chlorofluorocarbons (CFCs)

[6] Directive 2000/53/EC, of the European Parliament and of the Council of 18 September 2000 on End-of-Life Vehicles, 2000 O.J. (L 269).
[7] Law for the Recycling of End-of-Life Vehicles, Law No. 87 of 2002 (Japan).

from air conditioners, and airbags. Under this law, automobile manufacturers and importers are responsible for recycling these components, funded by a recycling fee paid by vehicle owners at the time of purchase.

United Kingdom:

In the United Kingdom, vehicle scrapping is strictly regulated under the End-of-Life Vehicle (ELV) Directive, ensuring that 95% of a scrapped vehicle's components are recycled or repurposed to minimise environmental impact. Scrapping must take place at Authorised Treatment Facilities (ATFs), government-licensed establishments responsible for decontaminating, dismantling, and recycling vehicles in compliance with legal and environmental standards.

ATFs, commonly known as scrapyards or breakers' yards, follow a structured process to remove hazardous materials safely. The ATF issues a Certificate of Destruction (CoD), officially deregistering the vehicle from the Driver and Vehicle Licensing Agency (DVLA) database.[8].

This strict regulatory framework ensures that vehicle disposal is transparent, environmentally responsible, and aligned with circular economy principles.

Canada:

Canada's vehicle scrappage policies have evolved to balance economic recovery and environmental sustainability, particularly in response to the COVID-19 pandemic. Programs like Retire Your Ride and BC's Scrap-It[9] encourage the removal of older, high-emission vehicles, replacing them with fuel-efficient, low-CO_2 models to reduce greenhouse gas emissions.

Retire Your Ride was launched in 2009. Canada's scrappage initiatives targeted 1995 and earlier model vehicles, which were 19 times more polluting than 2004 models due to tightened emission standards. The Ontario Plug'n Drive program further incentivises the purchase of used electric vehicles, integrating a scrappage component to accelerate the

[8] Road Vehicles (Registration and Licensing) Regulations 2002, SI 2002/2742 (UK)
[9] Government of Canada, *Retire Your Ride: Final Report on Canada's National Vehicle Recycling Program* (2011).

transition to cleaner transportation.

By systematically phasing out outdated vehicles, Canada aims to modernise its fleet, improve air quality, and support the circular economy.

Compared to India: Compared to Germany, Japan, the UK, and Canada, India's approach is still evolving, with a focus on reducing pollution and boosting the automotive industry. While Germany and the UK enforce strict recycling mandates (95% recovery under the EU ELV Directive), India is still developing Registered Vehicle Scrapping Facilities (RVSFs) to ensure environmentally responsible disposal.

Japan's Automobile Recycling Law mandates manufacturer responsibility, whereas India relies on public-private partnerships to expand scrappage infrastructure.

Canada's Retire Your Ride program successfully removed high-pollution vehicles, but India's policy faces challenges like informal sector dominance and limited awareness.

Despite these hurdles, India's scrappage framework is progressing toward global best practices, aiming for sustainability, economic growth, and cleaner transportation.

Greener Roads, Stronger Economy: The Dual Impact of Vehicle Scrappage

Vehicle scrappage policies are more than just a means to retire ageing automobiles; they are a catalyst for environmental restoration and economic revitalisation. By systematically phasing out high-emission, fuel-inefficient vehicles, scrappage programs help curb air pollution, reduce carbon footprints, and promote resource recovery through recycling.

It also stimulates the automotive industry, driving demand for new, cleaner vehicles, creating jobs in dismantling, recycling, and manufacturing, and fostering a circular economy. As nations refine their scrappage frameworks, the balance between sustainability and economic growth becomes a defining factor in shaping the future of transportation.

➢ **Environmental impacts**

The Vehicle Scrappage Policy is a pivotal step toward reducing vehicular pollution and promoting sustainable mobility in India. By systematically phasing out high-emission, outdated

vehicles, the policy aims to curb air pollution, particularly in urban areas where particulate matter (PM) and nitrogen oxides (NOx) levels are alarmingly high. Encouraging the adoption of newer, fuel-efficient models, including electric and hybrid vehicles, aligns with India's broader climate commitments under the Paris Agreement.

Scrapping End-of-Life Vehicles (ELVs) is expected to contribute to a 15-20% reduction in vehicular emissions, significantly improving air quality in India.

Vehicle Scrappage and India's Net-Zero Ambition:

India has pledged to reduce its carbon emissions by 50% by 2030 and achieve net-zero emissions by 2070, ambitious goals that demand systemic changes across all sectors, particularly transportation. Net-zero emissions refer to reducing greenhouse gas emissions as close to zero as possible, with any remaining emissions offset through measures beyond the value chain, such as carbon capture or afforestation. The transport sector, especially roadbased mobility, is a significant contributor to India's emissions. A single passenger vehicle emits roughly 4.6 metric tons of carbon dioxide annually, depending on fuel type, mileage, and engine efficiency. With over 21 million vehicles past their roadworthy age, the cumulative emissions are staggering.

The Vehicle Scrappage Policy plays a critical role in supporting India's decarbonization strategy by systematically removing old, high-emission vehicles from the roads. By replacing them with newer, BS VI-compliant or electric vehicles, the country can substantially cut pervehicle emissions, bringing the transport sector closer to alignment with net-zero goals.

BS (Bharat stage) Emission Norms:

The Bharat Stage (BS) emission standards are regulations set by the Government of India to control air pollution from vehicles. Introduced in 2000, these norms are based on European emission standards and have progressively tightened over the years to reduce harmful pollutants like carbon monoxide (CO), nitrogen oxides (NOx), hydrocarbons (HC), and particulate matter (PM).

India transitioned from BS I to BS VI, skipping BS V to accelerate pollution control efforts. The latest BS VI norms, enforced in April 2020, mandate ultra-low sulphur fuel, advanced emission control technologies like Diesel Particulate Filters (DPF) and Selective Catalytic

Reduction (SCR), and real-time emission monitoring.

The transition to BS VI vehicles plays a crucial role in reducing vehicular emissions, with an estimated 15-20% decrease in pollution levels due to the replacement of End-of-Life Vehicles (ELVs). For example, for every old truck, bus, or trailer scrapped, approximately 14 new BS VI-compliant vehicles can operate with equivalent emissions, significantly improving air quality. Similarly, replacing one outdated car or taxi with 11 newer, fuel-efficient models ensures a cleaner transport ecosystem.

➢ **Economic impacts:**

The Vehicle Scrappage Policy is more than an environmental initiative; it's a strategic economic driver that fuels multiple industries.

By systematically phasing out older, high-emission vehicles, the policy has stimulated demand for new, fuel-efficient, and environmentally friendly models, boosting the automotive sector. This surge in vehicle replacement has led to increased production, benefiting manufacturers, dealerships, and ancillary industries such as auto components and recycling.

Additionally, the expansion of Registered Vehicle Scrapping Facilities (RVSFs) is expected to generate up to 50,000 direct jobs by 2025, spanning roles in dismantling, recycling, hazardous material management, and logistics. The policy also helps formalise the scrappage sector, shifting operations from informal scrapyards to regulated facilities, ensuring safe disposal practices and resource recovery. By integrating digital platforms for scrappage applications and incentives like Certificates of Deposit (CoD), the policy further enhances economic efficiency, making vehicle disposal more accessible and financially viable for owners.

Role of green taxes:

Environmental taxes, such as the Green Tax, are designed to curb pollution by placing a financial cost on carbon dioxide and other greenhouse gas emissions. These taxes target not only emissions but also high-CO_2 fuels and older, more polluting vehicles, encouraging cleaner alternatives and responsible usage. By making pollution more expensive, such fiscal measures incentivise both individuals and industries to adopt eco-friendly practices.

On the global stage, the Organisation for Economic Co-operation and Development (OECD)

plays a key role in tracking and guiding environmental taxation. With 67 member and partner countries, including India, the OECD maintains comprehensive databases.[10] and publishes reports that help shape effective carbon pricing and energy taxation policies. These efforts push nations to align with international climate goals by internalising the environmental cost of emissions, thereby promoting a shift toward sustainable development. Green taxes have proven to be an effective tool in many countries, as highlighted by OECD studies, by placing a financial cost on pollution and excessive resource use.

Green taxes play a complementary role by penalising the continued use of old, high-emission vehicles, thereby nudging owners toward voluntary scrapping and fleet modernisation. For instance, India's Green Tax targets older vehicles that exceed prescribed emission norms, making it more economical for owners to scrap and replace them with cleaner, BS VI compliant or electric vehicles.

Beyond Policy: Tackling Ground-Level Hurdles and Strengthening Execution

While India's Vehicle Scrappage Policy holds immense promise for environmental and economic transformation, its implementation faces a series of **practical and structural challenges**. These challenges include:

- Infrastructure constraints:

  For the Vehicle Scrappage Policy to be effective, a rapid expansion of testing and scrapping infrastructure is crucial. The current limited network with only seven automated fitness test centres and two authorised scrappage facilities is insufficient to handle the growing demand for vehicle disposal.

  Another major challenge is the limited availability of Registered Vehicle Scrapping Facilities (RVSFs), particularly in rural and semi-urban areas. Without adequate infrastructure, vehicle owners in remote locations struggle to comply with the policy, facing long travel distances and higher logistical costs to reach authorised scrapping centres.

  Establishing large-scale scrappage centres requires dedicated land, but high real estate

[10] OECD, *Environmental Taxation and the Transition to a Low-Carbon Economy*, OECD Publishing (2024).

costs and competing infrastructure demands make expansion difficult. This limitation slows down the growth of formal scrappage facilities, forcing many vehicle owners to rely on informal scrapyards, which often lack proper environmental safeguards.

- Insufficient incentives:

  Despite the policy's well-intentioned framework, the monetary benefits offered to vehicle owners remain modest, making it unattractive for many to voluntarily scrap their old vehicles. The current incentive structure includes a scrap value of only 4–6% of the vehicle's showroom price, a 5% discount on new vehicle purchases, and up to 25% concession on road tax upon submission of a Certificate of Deposit (CoD). However, considering that the market scrap value already ranges between 2–3%, the net gain for owners is minimal, especially when weighed against the high cost of new vehicles.

- Lack of uniformity:

  One of the key challenges facing India's Vehicle Scrappage Policy is the inconsistent implementation across states, leading to fragmented outcomes. While the central government has laid out broad guidelines, state-level adoption varies significantly, with some states offering additional incentives and others lagging in infrastructure development or regulatory clarity. This lack of uniformity creates confusion among vehicle owners and discourages participation.

- Inadequate Waste Management:

  Another major concern is the **safe handling of hazardous waste** generated during vehicle dismantling. Components like **batteries, engine oil, coolants, and electronic parts** require **specialised treatment and disposal infrastructure**, which is often lacking, especially outside formal Registered Vehicle Scrapping Facilities (RVSFs).

  In contrast, **informal scrapyards** often resort to unsafe practices, such as open

  dumping or burning, which can lead to **soil and water contamination**, **air pollution**, and **serious health hazards**.

- Low Public Awareness:

  A significant barrier to the success of India's Vehicle Scrappage Policy is the lack of widespread public awareness, particularly among private vehicle owners and rural populations. Many people are unfamiliar with the benefits, procedures, and incentives associated with scrapping old vehicles, resulting in low voluntary participation. This information gap is further widened by limited outreach campaigns, inconsistent messaging across states, and the absence of user-friendly digital platforms to guide owners through the process.

Is the legal framework effective in enforcing vehicle fitness and scrapping?

The legal foundation for vehicle fitness regulation in India is primarily established under the Motor Vehicles Act, 1988[11]. Section 56 mandates that all transport vehicles must carry a valid Certificate of Fitness, which ensures they meet prescribed safety and emission standards. This certificate must be obtained from authorised testing stations or designated authorities. Furthermore, Section 190 of the Act outlines penalties for operating vehicles that are unsafe or do not comply with environmental norms.[12]. These include fines ranging from ₹250 to ₹5,000, and in serious or repeated violations, imprisonment up to three years. Offences may involve mechanical defects, noise and air pollution, or improper transport of hazardous materials, all of which are considered threats to public safety.

However, recent judicial interventions highlight gaps in enforcement and fairness within the current framework. For instance, the Rajasthan High Court recently set aside a rule that imposed a ₹50 fee for each day's delay in applying for renewal of a vehicle fitness certificate, deeming it arbitrary and burdensome.[13]. Similarly, the Chhattisgarh High Court initiated a suo motu Public Interest Litigation (PIL) over the non-functioning of an automated vehicle fitness testing centre in Bilaspur.[14], underlining concerns about infrastructure and implementation at the ground level.

While the Motor Vehicles Act provides a comprehensive structure for ensuring vehicle safety and penalising non-compliance, the issue of vehicle scrapping—particularly the removal of

[11] The Motor Vehicles Act, § 56, No. 59 of 1988, India Code.
[12] The Motor Vehicles Act, § 190, No. 59 of 1988, India Code
[13] *Pawan v. State of Rajasthan*, S.B. Civil Writ Petition No. 1234/2022 (Raj. H.C. Aug. 10, 2023).
[14] *In Re: Non-functioning of Automated Vehicle Fitness Testing Centre Bilaspur v. State of Chhattisgarh*, W.P.(PIL) No. 45 of 2023 (C.G. H.C. Sept. 12, 2023).

old, polluting, and unfit vehicles—remains only partially addressed. The Vehicle Scrappage Policy, introduced in 2021, complements the Act by incentivizing voluntary scrapping of old vehicles and mandating fitness tests for renewal. Nevertheless, enforcement challenges, lack of adequate testing infrastructure, and limited public awareness hinder its full impact.

Conclusion:

India's Vehicle Scrappage Policy marks a transformative step toward sustainable mobility, cleaner air, and economic revitalisation. By addressing the dual imperatives of environmental preservation and industrial modernisation, the policy serves as a strategic pivot to phase out over 21 million ageing, polluting vehicles and replace them with safer, fuel-efficient, and BS VI-compliant alternatives. Through its structured framework, ranging from Automated Testing Stations (ATS) to Registered Vehicle Scrapping Facilities (RVSFs), the policy aims to formalise the scrappage ecosystem, unlock circular economy benefits, and create employment opportunities across sectors.

However, as global case studies from Germany, Japan, the UK, and Canada demonstrate, the success of any scrappage initiative depends not only on regulation but also on robust infrastructure, financial incentives, public awareness, and transparent implementation. While India has laid a solid legislative and digital foundation, it must urgently address critical ground-level challenges such as infrastructure gaps, uneven state-level adoption, low public engagement, and improper waste management in informal scrapyards. Additionally, the existing incentive structure must be re-evaluated to make scrapping a more economically viable and appealing choice for vehicle owners.

Moving forward, a more integrated approach combining fiscal tools like green taxes, stronger manufacturer responsibility models, uniform national implementation, and large-scale public outreach can amplify the policy's impact. Aligning with international best practices and strengthening the execution of the Motor Vehicles Act can ensure that scrappage becomes not merely a regulatory formality but a powerful driver of India's transition to a greener, safer, and more resilient transport future.

In essence, "Scrap, Recycle, Revive" is not just a policy mantra; it is a national imperative that reimagines India's automotive landscape through the lens of sustainability, innovation, and economic growth.