

Ministry of Road Transport & Highways



VEHICLE SCRAPPAGE POLICY AND ROAD SAFETY INITIATIVES

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As on 30.01.2026, 129 Registered Vehicle Scrapping Facilities (RVSFs) are operational across 21 States and UTs in the country under Vehicle Scrapping Policy. Also, a total of 4,30,306 vehicles have been scrapped by these RVSFs till 30.01.2026.

Ministry Finance, Department of Expenditure, vide letter dated 22.05.2025, has issued the scheme guidelines for Special Assistance to States for Capital Investment (SASCI) 2025-26. Incentives for 'Scrapping of Old vehicles' has been extended as per Part-VI A of the guidelines and the allocated incentive amount for this year is Rs.2,000 Crore on First Come First Served basis. The incentives include:

- i. Lump-sum incentives ranging from Rs. 10 crore to Rs. 200 crore, based on the category of State/UT, linked to notification and implementation of additional Motor Vehicle tax concession as per Notification no. GSR 200(E) dated 26.03.2025.
- ii. Incentives for scrapping of Government-owned vehicles older than 15 years at Registered Vehicle Scrapping Facilities, wherein States are eligible for per-vehicle incentives on a graded scale ranging from Rs. 50,000 to 1,50,000 , linked to the number of Government vehicles scrapped during the financial year.
- iii. Incentives for scrapping of non-Government vehicles, wherein States are eligible for graded per-vehicle incentives ranging from Rs. 5,000 to 20,000, based on the volume of non-Government vehicles scrapped at Registered Vehicle Scrapping Facilities within the State.
- iv. States are eligible for per Automated Testing Station (ATS) incentives ranging from Rs. 5 crore to Rs. 9 crore, depending on whether the ATS is established in a high- priority district or other district, with 25% of the incentive linked to award of work and the remaining 75% linked to operationalisation of the ATS. Additional incentive is admissible for timely operationalisation of ATSS, as per the scheme guidelines.

In accordance with the legal mandate under Section 162 of the Motor Vehicles Act, 1988, Cashless Treatment for Road Accident Victims Scheme, 2025 has been notified vide S.O. 2015(E) dated 05.05.2025. Furthermore, comprehensive guidelines detailing the process flow, roles and responsibilities of various stakeholders, and the Standard Operating Procedures (SOPs) for its implementation have been issued vide S.O. 2489 (E) dated 04.06.2025. The key features of the scheme are: -

- v. Treatment cover up to Rs. 1.5 lakh per victim will be provided, subject to a maximum cap of 7 days from date of accident. The treatment cover will be available to those victims who are involved in road accidents caused by use of motor vehicles.
- vi. Every road accident victim shall be provided with stabilization, treatment for upto 24 hours in non-life-threatening cases, upto 48 hours in life-threatening cases at designated hospitals, subject to police response.
- vii. This statutory scheme will take precedence over any other Central / State level schemes.
- viii. The Scheme is being implemented through the amalgamation of two existing platforms, i.e. eDAR (electronic Detailed Accident Report) used by Police officials for reporting of accidents and TMS 2.0 (Transaction Management System) of National Health Authority (NHA) used by hospitals for treatment, claim submission and processing of payments.
- ix. The reimbursement to hospitals is being done through Motor Vehicle Accident Fund (MVAFF) which is funded through contributions from General Insurance companies for cases where the offending Motor Vehicle is insured and through budgetary support for other-than-insured cases.

Details of various initiatives taken by the Government in Ministry of Road Transport and Highways to rectify accident black spots and enhance road safety on National Highways are as follows: -

- x. The Government accords high priority to the identification and rectification of black spots on National Highways. Government has taken steps for immediate short-term rectification measures on such black spots like road markings, signages, crash barriers, road studs, delineators, closure of unauthorized median openings, traffic calming measures, etc. Long-term rectification measures like improvement of road geometrics, junction improvements, spot widening of carriageway, construction of underpasses/overpasses, etc. are also taken on such black spots based on site investigations.

- xi. Road Safety Audit (RSA) of all National Highways (NHs) has been made mandatory through third party auditors/ experts at all stages i.e. design, construction, operation and maintenance, etc.
- xii. Road Safety Officer (RSO) has been designated at each Regional Office of road owning agencies to look after RSA and other road safety related works.
- xiii. Issued guidelines for the provision of signages on Expressways and National Highways to offer improved visibility and intuitive guidance to the drivers.
- xiv. Administers the electronic Detailed Accident Report (e-DAR) Project to establish a central repository for reporting, management and analysis of road accidents data across the Country.
- xv. Issued rules for Electronic Monitoring and Enforcement of Road Safety. The rules specify the detailed provisions for placement of electronic enforcement devices on high risk & high-density corridors on National Highways, State Highways and critical junctions in cities having a population of more than one million in the country and cities under National Clean Air Programme (NCAP).
- xvi. The National Highways Authority of India has made provisions for ambulances with paramedical staff/Emergency Medical Technician/Nurse at toll plazas on the completed corridors of National Highways.
- xvii. Notified the Cashless Treatment of Road Accident Victims Scheme, 2025 on 5th May, 2025. The detailed guidelines including process flow, stakeholder wise standard operating procedures and clearly delineated roles and responsibilities have also been notified on 4th June, 2025.
- xviii. Revised the scheme guidelines (named as Rah-Veer) for the protection of Good Samaritan, who in good faith, voluntarily and without expectation of any reward or compensation renders emergency medical or non-medical care or assistance at the scene of an accident to the victim or transports such victim to the hospital. As per the scheme, the reward for Rah-Veer has been increased to Rs. 25,000 from Rs. 5,000.

This information was given by the Union Minister for Road Transport and Highways, Shri Nitin Jairam Gadkari Ji in written reply to the Rajya Sabha.

GDH/HJ

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