



भारतीय कृषि अनुसंधान परिषद  
कृषि भवन, नई दिल्ली - ११०००१

मिसिल. संख्यां २३-०१-२०२३ समन्वय

दिनांक: ०८/०२/२०२३

सेवा में,

भारतीय कृषि अनुसंधान परिषद  
संस्थानों/राष्ट्रीय अनुसंधान केन्द्रों के  
समस्त निदेशक / परियोजना निदेशक

महोदय/महोदया,

कृपया इस अनुमोदित / परिचालित संलग्न पत्र आवश्यक कार्यवाही हेतु देखे।

धन्यवाद !

भवदीय

(हरपाल ठाकुर)

अवर सचिव (समन्वय)



**INDIAN COUNCIL OF AGRICULTURAL RESEARCH  
KRISHI BHAWAN, NEW DELHI-110 001**

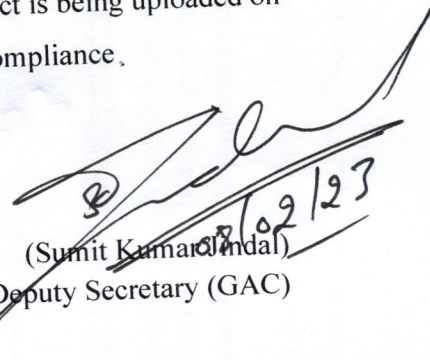
F. No. 23-1/2023-CDN

Dated 8<sup>th</sup> Feb., 2023

**ENDORSEMENT**

**Sub: - Determination of Reserve Price of Government Vehicles older than 15 years and Service charges to be levied by MSTC for auction of these vehicles-reg.**

An O.M. No.S-31037/1/2022-MFH Dated 23<sup>th</sup> January 2023 issued by Ministry of Steel MF Division, Government of India regarding the aforesaid subject is being uploaded on the ICAR website [www.icar.gov.in](http://www.icar.gov.in) and e-office for information and compliance.

  
(Sumit Kumar Jindal)  
Deputy Secretary (GAC)

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F.No. S-31037/1/2022-MFH  
Government of India  
Ministry of Steel  
MF Division  
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Udyog Bhawan, New Delhi  
Dated: 23rd January, 2023

**OFFICE MEMORANDUM**

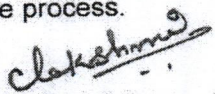
**Sub: Determination of Reserve Price of Government Vehicles older than 15 years and Service Charges to be levied by MSTC for auction of these vehicles-reg.**

The undersigned to directed to state that the Cabinet Secretary chaired a meeting on 24-12-2022 to review Vehicle Scrapping Policy, wherein Ministry of Steel has been entrusted to resolve the issues of Reserve Price fixation and the charges levied by MSTC. Accordingly, a committee was constituted under Additional Secretary, Ministry of Steel to determine Reserve Price of all types of the Vehicles. Meeting of the Committee was held on 04-01-23. The Members of the Committee observed that every model of the vehicle has to be taken as a separate unit, as the vehicle may be in different condition and therefore, it would be pragmatic to fix the Reserve Price of each vehicle based on a formula. The formula suggested to arrive at the Reserve Price is as under:

- i. Reserve Price for End-of-Life Vehicles would be determined as 90% of the value of ferrous scrap component of the vehicle.
- ii. The standard formula to drive the percentage of ferrous scrap in End-of-Life Vehicles could be taken at 65% of the Kerb weight of the vehicle. A copy of more than 280 models of more than 10 years old vehicles with their Kerb Weight and ferrous scrap component is enclosed.
- iii. Rate of ferrous scrap can be taken as moving average of price of steel scrap during the last three months at the time of deciding Reserve Price of the ELV.

The formula shall only be indicative/suggestive of the Reserve Price and the sellers could improvise on it based on the circumstances, products being sold, market competition expected and so on. Further, the Reserve Price shall only be the starting point for the auction process carried out on the portal. The above formula is based on a 'Rule of Thumb' calculation to cover vehicles that could be in varied conditions after a period of 15 years of working or other vehicles deemed to be fit for condemnation.

2. Regarding Service Charges to be levied by MSTC for auction of ELVs on the platform developed by them, it is stated that the Company has agreed to exempt service charge for Government vehicles sold up to March, 2023 using their e-auction platform. From April, 2023 onwards, MSTC will collect nominal transaction fee from the successful RVSFs @3% of the sale value, which shall be the responsibility of MSTC to collect it from the RVSFs and the Department concerned shall not be involved in the process.

  
(C. Lakshmi Srinagesh)  
Under Secretary to the Govt. of India  
Tel: 011-23061601

Encl: as above.

All Ministries/Depts. of Govt. of India/NITI

Copy to: MoRTH to issue similar circular to all concerned