

GOVERNMENT OF HARYANA ELECTRIC VEHICLE POLICY-DRAFT

1. INTRODUCTION

The vehicular population in Haryana has been increasing rapidly over the last decade. The vehicles driven on traditional fuels are the major source of environmental pollution and thereby are health hazards. Hence, this necessitates the exploration of alternative energy sources.

Electric vehicles are gaining popularity across the globe. Due to fast depletion of fossil fuels, the automotive industry is also shifting from traditional fuel based technology to eco-friendly technologies. Govt of India has launched The Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME Scheme) in 2015, under National Electric Mobility Mission Plan (NEMMP) with an aim to promote eco-friendly vehicles in the country. In this backdrop, it becomes imperative for the state government to come up with an electric vehicle policy.

2. VISION

To formulate the electric vehicle policy:

- (i) to promote clean transportation;
- (ii) to ensure environmental sustainability by reduction of pollution ;
- (iii) to increase energy efficiency and conservation;
- (iv) to create an ecosystem for manufacturing of Electric Vehicle (EV) components in Haryana;
- (v) to generate employment in the State.

3. OBJECTIVES

- To make Haryana a global hub for electric mobility development and manufacturing of Electric Vehicles (EVs).
- To attract manufacturers to set up their electric vehicles manufacturing unit in the state.
- To generate employment opportunities in the state.
- To create an eco friendly environment by promoting Electric Vehicles (EVs) through exemption in taxes/permit fee etc and setting up of charging infrastructure.
- To Provide subsidies and incentives to the industries manufacturing electric vehicle and promoting electric mobility in the state.

4. TARGETS

a) Conversion of vehicle

- Target to convert 100% of bus fleet owned by State Transport Undertakings in the state into electric buses (Battery Electric Vehicles or Fuel Cell Electric Vehicles) by 2029, with the first phase

of 100% conversion of bus fleet in Gurugram and Faridabad by 2024.

- Phase out all fossil fuel based commercial fleets and logistics vehicles in Gurugram and Faridabad by 2024 and all cities by 2030.
- All forms of Government vehicles, including vehicles under Government Corporations, Boards and Government Ambulances etc. will be converted to electric vehicles by 2024.

(Action by Transport Department)

b) Availability Of Electricity

- To supply uninterrupted 24x7 quality power to all qualified EV related industries operating in the state.
- To provide a Government specified power cost/electricity duty reimbursement per unit for a specified period from the date of commencement of commercial production of electric vehicles.
- To provide a dedicated line along with special discount for night time/non-peak time uses for testing of Electric Vehicles batteries based on requirement.

(Action by Power Department)

5. CATEGORIES OF VEHICLES

- **Light Electrical Vehicles:-** Electric Vehicles with battery packs of below 120V is considered as Light Electric Vehicle and they shall include two wheelers, three wheelers and some car models also.
- **Two Wheelers:-** (a) E-Scooter with a built in 50 Km range battery (suitable for charging at home) with provision for additional 50Km range extension battery (swappable at public stations as per requirement).
(b) E-scooters with two swappable batteries.
- **Three Wheelers:-** Auto rickshaws in the state having a base price of Rs. 1 lakh to 1.70 lakh with a running cost in the range Rs. 1.30 to Rs. 1.40 per km. Converting these as e-autos can be made revenue neutral, if the Electric Vehicle (EV) battery is addressed as a separate component from the base Electric Vehicle (EV).
- **Four Wheelers:-** Electric carts can be used for government use and as a modern, eco-friendly taxi cars. Technologically, the optimal solution would be to have the electric carts with builtin batteries with hireable 'range extension batteries' of different capacities to different models of Electric Vehicle (EV).
 - Built-in batteries could be charged at home over night and could run for about 80-100 KM distance daily which would be the normal demand of the car owners whereas the range extension batteries could be hired for longer drives.
 - There could also be a number of Direct Current (DC) fast charging stations as well as swapping stations for range

extension batteries established in strategic locations in the cities and along the national highways and state highways.

- It would also be possible to provide the public the list and geographic location of all available swapping stations over as mobile app accessible to all.
- **Heavy Electrical Vehicles/Electric Buses:-** Electric vehicles with a battery pack of more than 500 Volt..

Note:- Buses are the first preference for conversion to e-vehicle regime, due to its large impact on the on road vehicle pollution, potential to reduce pollution and promote shared mobility. Buses, primarily for public transport shall be of 9mtr and 12 mtr length, with an average driving range of 50 km to 100 kms. The bureau of Indian Standards shall provide for the following type of bus battery charging options as India specific solutions. Buses are expected to charge at the bus depots using 3 phase Alternating Current (AC) connections dedicatedly connected to each parked bus. In addition, small top up charging will be done en-route.

6. ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

Govt of Haryana will develop charging infrastructure as a commercially viable business venture in the state.

- Public Sector units will be encouraged in setting up Charging infrastructure in the State. State will facilitate availability of land to such Public Sector Undertakings (PSUs) at concessional rates in designated areas.
- Charging infrastructure in public buildings, public places shall be developed, and assured provisions to set up charging outlets, regular electric supply, etc.
- Electric Vehicle (EV) mobility on prominent highways with heavy density of vehicles, will be provided with fast charging stations, battery swapping infrastructure, at every 50 kilometers.
- New apartments, high rise buildings, technology parks in the state will be provided charging infrastructure for Electric Vehicles (EVs). Nonetheless, the State will encourage creation of secondary market for disposal of Electric Vehicle (EV) batteries in PPP model.
- The policy encourages Clean fuel and Renewable energy based Charging/Battery Swapping Station – for hydrogen powered fuel cells, or solar powered cells.

In this context, State Government will also encourage private players to set up Electric Vehicle (EV) charging systems and infrastructure in the state.

Government will facilitate electricity supply to charging stations at commercially viable rates.

(Action by Industries and Power Department)

7. STRATEGIC INITIATIVES

The Government of Haryana wants to achieve its objectives by emphasizing on

- i) Manufacturing of Electric Vehicle (EV) and its components.
- ii) Charging Infrastructure.
- iii) Demand creation for Electric Vehicles (EVs).

i) MANUFACTURING

a) Development of Electric Mobility Industrial Parks

- The Government of Haryana will allocate 100 to 200 acres of land for developing Electric Vehicle (EV) Parks with plug and play internal infrastructure, common facilities and necessary external infrastructure.
- The parks will attract manufacturers across the Electric Vehicle (EV) ecosystem.
- An incubation center for handholding startups will also be planned in the Electric Vehicle (EV) Park.

(Action by HSVP)

b) Infrastructural Support to Manufacturing Firms

- Land: In case of mega integrated projects, government will offer land to dependent ancillary units at the same rates as offered to respective Original Equipment Manufacturer (OEM) (wherever Government allocates land to OEM) up to a maximum of 50% of the land allocated to Original Equipment Manufacturer (OEM).
- Water: The government will provide water supply and also facilitate/support setting up of water treatment plants in/around major auto hubs in order to meet this requirement, wherever necessary.
- Rail and Road Connectivity: The government shall strive to construct elevated expressways to decongest roads to the industrial areas and will also look to ensuring better road access to ports.

(Action by HSVP, PWD & Industries)

c) Financial Support to Manufacturing Firms

- i) Capital subsidy of Fixed Capital Investment (FCI) in the following amounts:

- 25% of fixed capital investment up to a maximum of INR 15 lakhs for micro industries.
- 20% of fixed capital investment up to a maximum of INR 40 lakhs for small and 50 lakhs for medium industries.
- 10% of fixed capital investment up to a maximum of INR 10 crores for first two units, under large industries, in each segment of electric vehicles (EV) (2 wheelers, 3 wheelers, 4 wheelers, buses), battery and charging equipment, hydrogen storage & fueling equipment manufacturing.
- 10% of fixed capital investment up to a maximum of INR 20 crores for first two units, under mega category, in each segment of electric vehicles (EV) (2 wheelers, 3 wheelers, 4 wheelers, buses), battery and charging equipment, hydrogen storage & fueling equipment manufacturing.
- **Additionally, special incentives will be given according to their need for mega, mega integrated automobile projects and ultra-mega battery as well as to lithium battery manufacturing plants on a case to case basis.**
- 25% subsidy, for micro, small, medium enterprise and large projects, for sustainable green measures on total fixed capital investment of the project (excluding cost of land, land development, preliminary and pre-operative expenses and consultancy fees) with a ceiling of INR 50 crore.

(Action by Industries Department)

ii) Stamp Duty

- 100% of stamp duty and transfer duty paid by the industry on purchase or lease of land meant for industrial use will be reimbursed.
- 100% of stamp duty for lease of land/shed/buildings, mortgages and hypothecations will be reimbursed.
- Stamp duty will be reimbursed only one time on the land. Stamp duty will not be waived on subsequent transactions on the same land.

(Action by Revenue Department)

iii) Power

- Government will provide dedicated feeders to all units involved in manufacturing components for electric vehicles as required.
- Government will provide fixed power cost reimbursement @ Rs 3.00 per unit for a period of 5 years from the date of commencement of commercial production. The power cost

reimbursement for certain specific sector/sub-sector may be higher.

- **All new Electric Vehicle Manufacturing Units and Electric Battery Units as defined under the policy will be exempted for paying electricity duty for first 10 years.**
- A dedicated line along with special discount for night time/ non-peak time usage will be offered for testing of Battery Electric Vehicles batteries based on requirements.
- **The rate per unit will be less for charging of Electric vehicles.**

(Action by Power Department)

iv) Water

- Water Supply will be made at 50% of the price of existing industrial supply tariff for the initial 3 years from the date of commencement of commercial production.
- In order to provide quality water, the Haryana Government will reimburse 25% of the cost of water treatment plant wherever necessary, with a limit of 2 crores on this subsidy.

(Action by Public Health Department)

v) Incentives

- **100% net State Goods and Service Tax (SGST) accrued to the state will be reimbursed for a period of 5 years for micro & small, 7 years for medium, 10 years for large industries. This reimbursement will be limited to 100% of capex or for the period stated, whichever is earlier.**
- **100% exemption of road tax on transportation EVs purchased within Haryana State, applicable over the period of this policy. Further in this context, State will exempt SGST on purchase of Electric vehicles manufactured within the State.**

Provided that if the eligible unit has shown its inter-State Supplies as intra-State Supplies through intermediary/marketing network or any other middle man, either directly or indirectly controlled by it, in order to get higher incentives then benefit to the eligible unit shall be liable to be cancelled w.e.f. the date of such contravention, and the eligible unit shall be liable to return forthwith the incentives availed together with the interest @18 percent per annum.

- **100% interest free loans to the State Government employees for purchase of Electric vehicles in the State.**
- **30% subsidy on road price of Electric vehicle in form of reimbursement directly to the buyer in the State on**

purchase of Electric vehicles and to the financier, if the Electric vehicle is hypothecated, applicable over the period of this policy

- All the registered electric vehicles will be exempted from paying of State Toll tax.
- The dealers of Electric Vehicles (Non-Transport) will be exempted from submitting of Bank Guarantee of Rs. 1 Lakh for Online Dealer Point Registration in the State.
- Electric vehicles will be registered on priority basis with a minimum Token fee of Rs.100/-.

(Action by Transport Department, Finance Department, PWD & Excise and Taxation Department)

Extra Incentives for a period of 6 months

- The buyers who intends to purchase E-Rickshaw/Carts within a period of six months from the date of issuance of Electric Policy shall be issued a coupon of Rs 25000/-.
- The buyers who intends to purchase Electric based light motor vehicles within a period of six months from the date of issuance of Electric Policy shall be issued a coupon of Rs 50,000/-.
- The buyers who intends to purchase Electric cars (below Rs. 10 lakh) within a period of six months from the date of issuance of Electric Policy shall be issued a coupon of Rs 75,000/-.
- The buyers who intends to purchase Electric cars (above Rs. 10 lakh) within a period of six months from the date of issuance of Electric Policy shall be issued a coupon of Rs 1,00000/-.

(Action by Transport Department)

VI) Skill Development Incentives

- Stipend of INR 10,000 per employee per year to a maximum of first 50 employees for a single company for micro, small, medium and large firms.
- Industrial Training Institutes will come with amended courses for the repair of electric vehicles.

(Action by Labour Department & Skill Development and Industrial Training Department)

ii) CHARGING INFRASTRUCTURE

(a) Investment by the Government departments

- Depots, bus terminals of State Transport Undertaking and bus stops will have charging stations.
- Public parking spaces will be mandated to have charging stations.
- **All petrol pumps will be mandated to have charging stations & battery banks.**
- Government buildings will set a roadmap to setup charging or swapping stations in all of its parking spaces.
- Charging infrastructure will be installed at least every 50 km on highways, other major roads etc.

(Action by Industries, Urban local bodies & Transport Department)

(b) Investments from private infrastructure developers

- **Land across major cities will be allocated for private developers for setting up charging, battery banks or battery swapping stations in a form similar to a contemporary fuel station as per statutory clearances.**
- Facilities will be provided to setup swapping stations in the form of a kiosk to service 2 wheelers and 3 wheelers.
- **Existing private buildings such as malls and other commercial buildings will be incentivized to setup charging/ battery banks/battery swapping stations.**
- All new permits for commercial complexes, housing societies and residential townships with a built-up area 5,000 sq.mt and above will mandate charging stations.
- **Municipalities shall immediately issue provisional permissions online to setup charging/battery banks/battery swapping stations. Verification, if any, shall only be post sanction of provisional permission.**

(Action by Industries, HSVP & Urban Local bodies Department)

(c) City & Building codes

- City codes will be modified for both public places and private buildings in order to make the infrastructural changes needed for charging/ battery swapping infrastructure

- Urban local bodies, municipality rules/ regulations will be modified to allow charging and battery swapping stations to be setup within their limits as and when required.

**(Action by PWD (B&R) &
Urban local bodies Department)**

(d) Quality and standards

- Standards for charging equipment will also be created in close association with the central government departments and scientific bodies.
- The state will follow the charging specifications as per the guidelines issued by Department of Heavy Industries, Government of India.
- **Standards for lithium batteries will be fixed.**

(Action by Industries Department)

(e) Financial Incentives for Private Charging Stations

- **Direct Current (DC) Chargers (100 Volt and above): Capital Subsidy of 25% of the value of the charging station equipment/ machinery for first 100 charging stations/battery banks will be provided upto a maximum subsidy of INR 10,00,000.**
- **Direct Current (DC) Chargers (Below 100 Volt): Capital Subsidy of 25% of the value of the charging station equipment/machinery for first 300 charging stations/battery banks will be provided upto a maximum subsidy of INR 30,000.**
- **Capital subsidy of 25% of Fixed Capital Investment (for eligible assets excluding cost of battery inventory) up to a maximum subsidy of 10 lakhs for swapping stations/ battery banks for the first 50 stations will be provided.**
- **100% net State Goods and Service Tax (SGST), accrued to the state, as reimbursement for purchase of fast chargers (Direct Current (DC) chargers of capacity 100 Volt and above).**
- **100% net State Goods and Service Tax (SGST), accrued to the state, as reimbursement for purchase of advanced batteries for Battery Electric Vehicle (BEV) swapping stations/ battery banks.**

Provided that if the eligible unit has shown its inter-State Supplies as intra-State Supplies through intermediary/marketing network or any other middle man, either directly or indirectly controlled by it, in order to get higher incentives then benefit to the eligible unit shall be liable to be cancelled w.e.f. the date of such

contravention, and the eligible unit shall be liable to return forthwith the incentives availed together with the interest @18 percent per annum.

(Action by Industries, Revenue Department & Excise and Taxation Department)

iii) DEMAND CREATION

- 2020-21 shall be announced as the "Year of the Electric Vehicle" in Haryana
- The cities of Gurugram and Faridabad will be declared as model Electric Mobility (EM) cities with phase-wise goals to adopt Electric Vehicles (EVs), charging & hydrogen refueling infrastructure and new Electric Vehicle (EV) enabling building codes.
- Gurugram will be the pilot city for all new initiatives.
- **Model Electric Mobility cities will have a deadline to convert 100% of all commercial & logistics fleets to electric fleet by 2024.** These fleets can belong to any government organization, State Transport Undertakings, educational institutes, hospitals or corporate and other institutions.
- **Smart city proposals to the central government will include support for charging infrastructure and hydrogen fueling stations. Identified areas will be designated as "Green zones" with entry only to non-fossil fuel/electric based vehicles. Electric based light motor vehicles will be given concession to move in the no movement area declared by regulatory bodies such as District Magistrate or Traffic Police .**
- These cities will develop specific goals of charging and Hydrogen refueling infrastructure density within a defined timeline linked to target for deployment of Electric Vehicles (EVs). These cities will create mobility blueprints and make provision in infrastructure needs to support the charging stations and Electric Vehicle (EV) only zones.
- **One or more of higher registration, renewal, parking fees, congestion charges, taxes/ cess on sale, and limitation of entry into city limits etc. will be levied on sale/ usage of highly polluting vehicles in order to support the switch to environmentally friendly vehicles.**
- Multiple government offices and public areas will be chosen for installing public charging equipment that can be used by all.

(Action by HSPCB, Industries, Urban local bodies & Transport Department)

8. REVISION OF TRANSPORT REGULATIONS FOR Electric Vehicles (EVs).

- Low power Electric rickshaws will be allowed only in certain areas or outside major cities to avoid congestion.
- **Registration will be allowed for 2-wheelers, 3-wheelers and 4-wheelers retrofitted with an electric motor and an electric power train using advanced battery technologies and certified by Automotive Research Association of India (ARAI), Pune or other government recognized agency.**
- In order to avoid congestion in cities, Electric Vehicles (EVs) will be mandated in cities while phasing out polluting vehicles in parallel.
- The model Electric Mobility cities will come up with a timeline for phasing out all fossil fuel based 3 and 4 wheelers in all vehicle fleets from corporates, medical institutions, and educational institutes and logistics providers by 2024. Eventually these restrictions will also be implemented in all cities of the state by 2030.
- Electric mobility blueprint will be created for the entire state for a phase wise transition to Electric Vehicles (EVs).
- Registration of Electric Vehicles (EVs) will be done online immediately

**(Action by HSPCB, PWD(B&R) &
Transport Department)**

9. COMMUNICATION

- The government notices that communication to create awareness amongst people is very crucial to further the growth of Electric Vehicle (EV).
- Test rides in collaboration with various vehicle manufacturers, green days in the capital region and other cities will be promoted to take the new technology to the common man.

**(Action by Director, Public Relations
& Transport Department)**

10. FINANCIAL INCENTIVES FOR PRIVATE PURCHASE AND USE

- Phase wise/ City wise, promotional discounted tariff will be offered for charging Battery Electric Vehicles (BEVs).
- In pursuance of the notification bearing no. 5333(e) dated 18.10.2018 issued by Ministry of Road Transport & Highways, Government of India, the battery operated vehicles and the vehicles driven on ethanol and methanol fuel shall be exempted to have permit as required under sub section (1) of section 66 of the Motor Vehicles Act, 1988.

- Reimbursement of the Net State Goods and Service Tax (SGST) for services rendered, accrued to the state, for firms involved in services such as leasing of fleet of Electric Vehicles, owning or operating Electric Vehicle (EV) fleets and providing charging/ battery swapping/ Hydrogen stations for recharging/ refueling Electric Vehicles, until 2024.

**(Action by Revenue, Excise and Taxation
Department & Transport Department)**

11. PILOT PROJECTS

To familiarize the public on the e-mobility aspects and usage and to create initial demonstration hubs select regions will be adopted as e-mobility zones. Last mile connectivity for urban transportation networks-e-bikes, e-scooters, e-autos.

(Action by Transport Department)

12. HUMAN CAPACITY BUILDING

The State Government shall establish centres of innovation and excellence for various components of Electric Vehicles (EVs) and Autonomous Vehicles (AVs) Industry including battery technology, drive train technologies, software development and charging technologies.

(Action by Industries Department)