



Government of Maharashtra



MAGNETIC MAHARASHTRA

CONVERGENCE 2018

Global Investors Summit - Feb 18-20

MAHARASHTRA'S ELECTRIC VEHICLE AND RELATED INFRASTRUCTURE POLICY – 2018



सत्यमेव जयते

Government of Maharashtra
Department of Industries

Maharashtra's Electric Vehicle and related Infrastructure Policy – 2018

1. INTRODUCTION

Electric Vehicle (EV) technology is considered globally to be the game changer in transportation sector. It offers advantages such as eco-friendliness, cheaper fuel-cost, lower maintenance expenses, energy efficient and increased safety. Global industry, governments and early movers have successfully demonstrated that EV is practical, sustainable, safe and affordable. United Nations (UN) aims to promote EV under its sustainable development agenda for 2030. Government of India (GoI) plans to make India an 'electric vehicle nation' by 2030.

Under the National Electric Mobility Mission Plan (NEMMP), GoI envisions 6 million electric and hybrid vehicles on India's roads by 2020. Towards this purpose, Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) has been launched by GoI, and it targets a saving of 120 million barrels of oil and 4 million tons of CO₂, and lowering of vehicular emissions by 1.3 percent by 2020, by promoting use of EV. FAME India scheme has four focus areas – technology development, demand creation, pilot projects, charging infrastructure. This scheme is proposed to be implemented over a period of 6 years, till 2020. The Phase-1 of the scheme was implemented from April, 2015 till March, 2017 with an approved outlay of Rs. 795 crore.

Based on the recent techno-economic developments in EV sector and the vision of GoI, a need was felt by Government of Maharashtra to formulate a policy for promotion of this sector in Maharashtra. Government of Maharashtra envisions to build Maharashtra as a model state in EV. Further, EV sector will create a huge opportunity for creation of jobs in manufacturing as well as service providing sectors.

2. VISION, MISSION, OBJECTIVES AND TARGETS

A. Vision

Maharashtra - a globally competitive state for Electric Vehicle and component manufacturing, and maximize adoption of EV in Maharashtra.

B. Mission:

To place Maharashtra amongst the most preferred investment destinations for global investors through promotional strategies combined with developing a competitive and sustainable investment environment, thereby making Maharashtra as one of the most favored economic magnet and center of attraction for EV.

C. Policy Objectives:

- a) To develop Maharashtra as the leader in EV manufacturing and use of EV.
- b) To create newer employment opportunities.
- c) To promote export of EV, components, battery and charging equipment's.
- d) To promote R&D, innovation and skill development in EV Sector.
- e) To promote sustainable transport system.

D. Policy Targets:

- a) Increase number of EV registered in Maharashtra to 5 lacs.
- b) To generate an investment of Rs.25,000 crores in EV, EV manufacturing and component manufacturing, battery manufacturing/assembly enterprises and charging infrastructure equipment manufacturing in the state.
- c) To create jobs for 1,00,000 persons.

3. STRATEGIC DRIVERS OF THE POLICY

- A. Promotion of adoption of EV technology: To increase the viability of EV by way of providing fiscal and non-fiscal incentives.
- B. Promotion of creation of dedicated infrastructure for charging of EVs: Through subsidization of investment.
- C. Promotion of R&D and Innovation: To promote the establishment of Research & Development Centers and Center of Excellence across the state.

4. DEFINITIONS

In the context of this Policy, the Electric vehicle sector consists of EV and component manufacturing, battery manufacturing/assembling, charging infrastructure, charging equipment manufacturing as defined below:

A. Electric vehicle (EV):

An electric vehicle or EV uses energy stored in its rechargeable batteries, which are recharged by common household electricity. An electric vehicle (EV) uses one or more electric motors for propulsion. Depending on the type of vehicle, motion may be provided by wheels or propellers driven by rotary motors, or in the case of tracked vehicles, by linear motors. EV includes industrial electric scooters, electric motorcycles, electric three wheelers, full-size electric cars, vans, buses and other electric passenger vehicles.

OR

As per Government of India Notification dated 16.09.2005 under Central Motor Vehicle Rule 1989 Rule no. 2(u) "Battery Operated Vehicle" means a vehicle adapted for use upon roads and powered exclusively by an electric motor whose traction energy is supplied exclusively by traction battery installed in the vehicle.

B. EV Components:

Major components of EV include motor controller, electric engine (motor), regenerative braking, drive system and related parts/assemblies.

C. EV Battery:

An electric-vehicle battery (EVB) or traction battery is a battery used to power the propulsion of battery electric vehicles (BEVs). Vehicle batteries are usually a secondary (rechargeable) battery. EV battery will not include Lead-acid batteries.

D. EV Battery Components:

Battery pack designs for Electric Vehicles (EVs) incorporate a combination of several mechanical and electrical component systems which perform the basic



Government of Maharashtra

required functions of the pack. Battery pack consists of many discrete cells connected in series and parallel to achieve the total voltage and current requirements of the pack. A battery comprises of smaller stacks called modules, which are placed into a single pack. Modules also incorporate cooling mechanisms, temperature monitors, other devices and Battery Management System (BMS).

E. EV Charging Station & Equipment:

An electric vehicle charging station, also called EV charging station, electric recharging point, charging point, charge point and EVSE (electric vehicle supply equipment), is an element in an infrastructure that supplies electric energy for the recharging of electric vehicles. The charging station equipment shall include charging posts, charging cabinets, fully automated charging stations integrated with power distribution equipment etc pertaining to fast charging stations only.

F. EV Charging Infrastructure:

The policy envisages four type of charging facilities, viz.

- Domestic user facility (individual)
- Public charging facility (government facilities, bus depots, railway stations, 2 fuel sations etc.)
- Common charging facility (malls, residential building, educational institutions etc.)
- Commercial charging facility (roadside, fuel stations etc.)

G. Pioneer units:

Pioneer unit shall mean first two Mega projects in the State setup for manufacturing of EV, EV components & batteries. One Pioneer unit in EV/EV components & one in battery manufacturing sector will be considered separately in each category.

H. Mega EV Enterprises:

a)Mega EV enterprise for A & B areas (as classified under Package scheme of Incentives in force) is a manufacturing enterprise defined in para 4(i), 4(ii), 4(iii) and 4(iv) above where fixed capital investment (FCI) on manufacturing facility is more than Rs. 250 crore or which creates direct employment for at least 500 persons.

b)Mega EV enterprise for C, D & D+ areas is a manufacturing enterprise where fixed capital investment (FCI) on manufacturing facility is minimum of Rs. 100 crore or which creates direct employment for at least 250 persons. c)Ultra mega EV enterprises, is a manufacturing enterprise where fixed capital investment on manufacturing across state is 1500 crore which generates 3000 employment.

I. Large EV Enterprises:

Large EV enterprise is an industrial enterprise where fixed capital investment (FCI) on plant and machinery for the manufacturing facility is from Rs. 10 crore to Mega project qualifying limit.



Government of Maharashtra

J. **MSME EV Enterprises:**

Definition of Micro, Small and Medium EV Enterprises shall be as defined in the MSMED Act 2006 of Government of India.

5. INCENTIVES

A. **Incentives for EV Manufacturing, EV Component Manufacturing and EV Battery Manufacturing/Assembly Enterprises, Manufacturers of Electrical Battery Chargers :**

Following incentives will be admissible to EV Manufacturing, EV Component Manufacturing and EV Battery Manufacturing/Assembly Enterprises, Manufacturers of Electric Battery Chargers. These incentives will be over and above the incentives under schemes of Government of India.

- Incentives to Pioneer Units, Mega Units & Ultra Mega Units :-

The package of incentives to Pioneer Units, Mega Units & Ultra Mega Units manufacturing Electric vehicles shall be as per the 'Template of Incentives'. The Package of Incentives can be modified with the recommendation of High Power Committee formed for Mega/Ultra Mega Projects approved by the cabinet sub-committee.

- Incentives to MSME and Large units

Under the Electric Vehicle Policy-2018, throughout the state, manufacturing MSMEs and Large units will be eligible for incentives as per Package Scheme of Incentives(PSI) in force. However, eligible units in A & B zone (as defined under PSI) will be provided incentive as per those available in C zone. Other zones will be eligible for incentives at one scale higher. (Example: Unit in D zone will be eligible for incentives of D+ zone).

B. **Incentives & assistance for EV Charging:**

- Electrical power required for EV charging will be charged at residential rate across the state.
- Common charging points in residential areas, societies, bus depots, Public Parking areas,railway stations and fuel pumps etc. will be allowed. After the receipt of application for setting up a charging point is received, the concerned planning authority & electricity supplying agency shall grant permission within 15 days. If permission is not received within 15 days, it will be deemed to be permitted.
- Development Control Rules (DCR) of all local self-Government & Special Planning Authorities will be suitably modified to allow for setting up of common public charging facilities in parking areas of malls, residential properties & parking areas etc.
- Petrol pumps will be allowed to setup charging station freely subject to charging station areas qualifying fire & safety standard norms of relevant authorities under relevant acts/rules.
- Commercial public EV charging stations for 2 wheelers, 3 wheelers, cars and buses will be eligible for 25% capital subsidy on equipment/machinery (limited up to Rs. 10 lacs per station) for first 250 commercial public EV charging stations.



Government of Maharashtra

C. **Incentives & provisions for EV Buyer:**

- Incentives for only Battery Electric Vehicle (BEV).
- Initially Government of Maharashtra to promote EV in public transport in six cities ie :- Mumbai, Pune, Aurangabad, Thane, Nagpur and Nashik.
- First 1,000 EV private/public passenger bus buyer whose vehicles are registered in the state will be eligible for user subsidy over policy period of 5 years.
- 10% subsidy for passenger buses registered in the State to private/public bus transport buyer, on base price (maximum limit of Rs. 20 lacs per vehicle) will be eligible to buyer. Subsidy will be transferred to buyer's bank account within 3 months of purchase date.
- First 1,00,000 EV (2 wheeler-70,000, 3 wheeler-20,000 and 4 wheeler-10,000 all categories combined) registered in the State, private transporter and individual buyer to get end user subsidy over policy period of 5 years.
- 15% subsidy (maximum limit of Rs.5,000 for 2 wheeler, Rs. 12,000 for 3 wheeler, and Rs 1 lac for 4 wheeler) per vehicle to private transport and individual buyer for Electrical Vehicles registered in the State, on base price will be paid to buyer. Subsidy will be transferred to buyer's bank account within 3 months of purchase date.
- Exemption from road tax and registration fees for Electric Vehicles.

D. **Promotion of R&D, Innovation and Skill Development in EV Sector:**

- Based on an assessment of feasibility and other details by the High Power committee, proposal will be prepared for the establishment of center of excellence and research and development centers, finishing schools and other employment oriented centers.
- The Maharashtra State Board of Technical Education (MSBTE), Maharashtra State Skill Development Society (MSSDS) and other agencies will institute training-based certification and placement programmes. They would collaborate with National Automotive Board (NAB) and other associations to understand their human resource requirements. Based on these requirements, a merit based, defined certification and placement procedure shall be instituted so that appropriate manpower is created for the EV industry.

6. Management Framework for Policy Implementation

A. **A High Power Committee will be constituted at the state level to monitor the implementation of this Policy, and develop procedures and modalities where required. The composition of the High Power Committee will be as follows:**

- Chief Secretary – Chairperson
- Additional Chief Secretary (Industries) – Member
- Additional Chief Secretary (Finance) – Member
- Principal Secretary (Urban Development I) – Member
- Principal Secretary (Planning) – Member
- Principal Secretary (Skill Development) – Member
- Principal Secretary (Energy) – Member



Government of Maharashtra

- Principal Secretary (Urban Development II) – Member
- Principal Secretary (Transport) – Member
- Municipal Commissioner, MCGM – Member
- Two representatives from EV Industry – Invitee
- Development Commissioner (Industries) – Member Secretary The High Power Committee may invite any Department/Organization/representative of Association or a person for its meeting as per need.

B. Charter of the High Power Committee:

- Monitor and ensure timely release of relevant Orders / Government Resolutions / Government Notifications and amendments required.
- Approve the framework/modalities of implementation proposed by the committee in time bound manner.
- Bring about inter-departmental co-ordination in respect of matters related to this Policy.
- Review the definitions of EV, EV components, Battery and Charging Station or any other related definitions and approve the amendments as may be appropriate.
- Review the best practices.
- The High Power Committee shall review the implementation and effectiveness of the policy every six months and corrective measures / changes / amendments if required shall be done.

7. POLICY VALIDITY :

The policy will be valid for Five years from the date of issue of relevant government resolution.



Government of Maharashtra

DEPARTMENT OF INDUSTRIES, ENERGY AND LABOR

Government of Maharashtra,
Mantralaya, Mumbai – 400032
Tel.: (91-22) 22025393

Website: <https://www.maharashtra.gov.in/>

DIRECTORATE OF INDUSTRIES

Government of Maharashtra,
New Administrative Building,
2nd floor, Opp. Mantralaya,
Mumbai – 400032

Tel.: (91-22) 22023584/22028616

Website: <https://di.maharashtra.gov.in/>

MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION (MIDC)

Udyog Sarathi, Mahakali Caves Road,
Andheri East, Mumbai, Maharashtra 400093
Tel.: (91-22) 26870800

Website: <https://www.midcindia.org/>

MAHARASHTRA INDUSTRY, TRADE AND INVESTMENT FACILITATION CELL (MAITRI)

“Krupanidhi” Building, 9,
Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400001
Tel.: (91-22) 22622362

Email id: maitri-mh@gov.in

Website: <https://maitri.mahaonline.gov.in/>
