

GOVERNMENT OF ASSAM
INDUSTRIES AND COMMERCE DEPARTMENT
JANATA BHAWAN
BLOCK 'C', 2nd FLOOR
DISPUR::: GUWAHATI-6

PUBLIC NOTICE

No.MI.45/2021/22

Dated Dispur, the 12th July, 2021

It is to inform to all concern that the Industries & Commerce Department has taken the initiative for drafting of a new policy in the name and style **"ELECTRIC VEHICLE POLICY OF ASSAM, 2021"**; as a part of its continuous endeavor for industrial and economic development in the State.

Prior to finalization of the aforementioned policy, Industries & Commerce Department seeks the views/comments/suggestions from all Stakeholders/General Public.

Now, therefore, Industries & Commerce Department invites the views/comments/suggestions, if any, from the interested Stakeholders/General Public on the draft **"ELECTRIC VEHICLE POLICY OF ASSAM, 2021"** within 15 days, from the date of issuance of this notice.

The views/comments/suggestions may be shared through email at the following email IDs:

- (1) industriesandcommerce@yahoo.com
- (2) investmentcell77@gamil.com

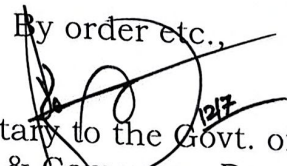
Sd/-
(Ohed Uz Zaman, ACS)
Joint Secretary to the Govt. of Assam
Industries and Commerce Department

Memo No.MI.45/2021/22-A

Dated Dispur, the 12th July, 2021

Copy to:

1. The P.S. to Minister, Industries & Commerce etc. Assam for kind appraisal of Hon'ble Minister.
2. The P.S. to Principal Secretary to the Govt. of Assam , Industries & Commerce Department for kind appraisal of Principal Secretary.
3. All concern

By order etc.,

Joint Secretary to the Govt. of Assam,
Industries & Commerce Department

অসম চৰকাৰ



सत्यमेव जयते

GOVERNMENT OF ASSAM

ELECTRIC VEHICLE POLICY OF ASSAM, 2021

INDUSTRIES AND COMMERCE DEPARTMENT

TABLE OF CONTENTS

| | |
|---|----|
| 1. INTRODUCTION | 3 |
| 2. VISION OF EV POLICY..... | 3 |
| 3. OBJECTIVES OF EV POLICY..... | 3 |
| 4. STRATEGY OF EV POLICY | 4 |
| 5. POLICY TITLE..... | 4 |
| 6. COMMENCEMENT AND DURATION..... | 4 |
| 7. DEFINITIONS..... | 5 |
| 8. TARGETS AND ROADMAP..... | 5 |
| 9. INCENTIVES FOR EARLY ADOPTION OF ELECTRIC VEHICLES..... | 6 |
| 10. INCENTIVES FOR CHARGING INFRASTRUCTURE..... | 7 |
| 11. INCENTIVES FOR MANUFACTURING OF EV AND THEIR COMPONENTS.... | 7 |
| 12. RECYCLING ECOSYSTEM – BATTERY AND EVs..... | 8 |
| 13. RESEARCH AND DEVELOPMENT..... | 9 |
| 14. COMMITTEE FOR APPROVAL..... | 9 |
| 15. INTERPRETATION..... | 10 |
| 16. RIGHTS OF THE STATE GOVERNMENT..... | 10 |

1. INTRODUCTION:

The population of over four million vehicles on the roads in Assam has made mobility a challenge. Further, huge number of vehicles plying from the neighboring states as well as from other parts of the country add to the vehicular population resulting in road accidents and air pollution. Government of Assam has taken several initiatives to improve the conditions of roads. upgrading and widening the National Highway etc. to ensure smooth mobility, reduction of air pollution and mitigating climate change. Electric Vehicles (EV) or e-mobility is proposed to be another step forward. Adoption of Electric Vehicles (EVs) for road transport contributes to a wide range of goals. These include better air quality, reduced noise pollution, enhanced energy security and in combination with a low carbon power generation mix - reduced greenhouse emissions.

Government of India has created momentum through its **Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles** (FAME) schemes that encourage, and in some segments mandates the adoption of electric vehicles (EV), with a goal of reaching 30% EV penetration by 2030.

At the end of FAME Phase-I, the electric vehicle penetration remained low in Assam. A dedicated strategy to address price of EVs, public charging infrastructure and investment in EV manufacturing and charging infrastructure is required to promote adoption of EVs in the state. Government of Assam plans to ensure a robust infrastructure for electric vehicles that includes adequate power availability, network of charging points and favorable power tariff.

2. VISION:

To embrace and accelerate the pace of adoption of electric mobility as a tool to promote clean transportation to ensure environmental sustainability and to create an ecosystem for manufacturing EV components in Assam. The policy shall serve as a rationale to attain rapid adoption of Battery Electric Vehicles and to bring about improvement in the air quality in Assam and the major cities in particular.

3. OBJECTIVES:

- To bring about a material improvement in Assam's air quality by bringing down emissions from transport sector. To do so, this policy will seek to drive rapid adoption of Battery Electric Vehicles (BEVs) in a manner where they contribute to 25% of all new vehicle registrations by 2026.
- To create robust infrastructure for electric vehicles including adequate power supply and network of charging points with favorable power tariff.
- To create a pool of skilled workforce for the EV industry through the technical intuitions available in the State and create new jobs in the EV industry.
- To create a conducive environment for Industry and Research Intuitions to focus on cutting edge research in EV Technologies and make Assam the preferred destination for Electric Vehicle and component manufacturing.

4. STRATEGY:

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

4. POLICY TITLE:

The Policy will be called ***“Electric Vehicle Policy of Assam,2021”***

5. COMMENCEMENT AND DURATION:

The policy shall come into force w.e.f and will remain in force for a period of 5 years or till the declaration of a new or revised policy, whichever is earlier.

6. DEFINITIONS:

6.1. Electric vehicle (EV): An electric vehicle or EV uses energy stored in its rechargeable batteries, which are recharged by common household electricity. EV includes electric scooters/ motorcycles, electric three wheelers, electric cars, vans, buses and other electric passenger vehicles.

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

6.3. 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.

6.4. EV Battery Components: 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).

6.5. EV Charging Station & Equipment: An electric vehicle charging station is an infrastructure that supplies electric energy for the recharging of electric vehicles. The charging station equipment shall include charging posts, charging cabinets etc.

7. TARGETS AND ROADMAP:

7.1 The State will target and support the deployment of the first two lakh electric vehicles either under individual use or commercial use during the policy duration of 5 years. The segment wise target is outlined below:

- 2 Wheelers : 100000 Units
- 3 Wheelers : 75000 Units
- 4 Wheelers : 25000 Units

7.2. Convert 100% of public transport bus fleet into electric buses (Battery Electric Vehicles) by 2030.

7.3. All Government vehicles to be converted to electric vehicles by 2030. After 2025, only Electric Vehicle will be allowed to purchase.

7.4. Phase out all fossil fuel based commercial fleets and logistics vehicles in all cities by 2030.

8. INCENTIVES FOR EARLY ADOPTION OF ELECTRIC VEHICLES

8.1. The Demand Incentive from the State shall be over and above any subsidies that are available from the Central Government through its promotional schemes and policies.

8.2. The incentives for all types of electric vehicles shall be based on the electric vehicle battery capacity (i.e energy content measured in KWH) as indicated below:

| Vehicle Segment | Battery Size in KWH (approx.) | State Subsidy Amount(Rs.) | Total State Subsidy (Rs.) | Maximum ex-factory price to avail incentive (Rs.) |
|-----------------|-------------------------------|---------------------------|---------------------------|---|
| 2 wheeler | 2 KWH | 10000/- per KWH | 20000/- | Rs. 1.50 lakhs |
| 3 wheeler | 5 KWH | 10000/- per KWH | 50000/- | Rs. 5.00 lakhs |
| 4 wheeler | 15 KWH | 10000/- per KWH | 150000/- | Rs.15.00 lakhs |

8.3. The beneficiary will be allowed to avail similar subsidy from only one scheme of State Government. However, there will not be any bar to get any subsidy or incentive from any scheme of Government of India.

8.4. The maximum amount of subsidy should not be more than the 40% of the ex-factory price of the vehicle.

8.5. Exemption/Reimbursement of registration charges and road tax on 2, 3 & 4 Wheeler Electric Vehicles for 5 years

8.6. 100% Waiver on parking charges for Electric Vehicles for 5 years

8.7. Retro-fitment incentive @ 15% up to Rs. 15,000 for 3-Seater auto rickshaws.

9. INCENTIVES FOR CHARGING INFRASTRUCTURE:

- 9.1. The State Government shall promote charging infrastructure of different capacities/ technologies and promote a variety of business models viz. Privately-owned, DISCOM-owned and Investor-owned charging and battery swapping stations.
- 9.2. Commercial public EV charging stations for 2 wheelers, 3 wheelers, 4 wheelers will be eligible for 25 % capital subsidy on equipment/machinery subject to maximum limit of Rs. 10 lakhs per station. This incentive will be provided to first 500 commercial public EV charging stations.
- 9.3. The subsidy for charging stations shall only be given to those developers, individuals or entities that have not availed similar subsidies under any policy or scheme of the State Government unless it is specifically prescribed under this policy.
- 9.4. All EV charging stations shall adhere to the charging guidelines and standards defined by the Ministry of Power, Government of India and Power(E) Department, Government of Assam.
- 9.5. Petrol Pumps will be allowed to set up charging stations subject to qualifying fire & safety standard norms issued by the competent authorities.
- 9.6. The State Government shall exempt 100% electricity duty of EV charging stations during the period of this policy.
- 9.7. DISCOMs shall allow charging of EVs from the existing connection of a Consumer at the existing tariff.
- 9.8. The tariff for new third-party owned EV charging infrastructure shall be as per the AERC tariff order for utilities

10. INCENTIVES FOR MANUFACTURING OF EV AND THEIR COMPONENTS:

- 10.1. All provisions of the Industrial & Investment Policy of Assam, 2019 or provisions under any subsequent Industrial Policies declared by the State Govt. shall be applicable to enterprises intending to set up facilities for manufacturing in the EV sector.
- 10.2. All provisions of the North East Industrial Development Scheme (NEIDS), 2017 or

provisions under any subsequent industrial policies for North Eastern Region declared by the Central Govt. shall be applicable to enterprises intending to set up facilities for manufacturing in the EV sector.

10.3 In addition to the 30% Capital Investment Subsidy available under NEIDS,2017 or any subsequent policy from Govt. of India/State Govt., units manufacturing EV or their components will be eligible for the following additional incentives:

- ✓ @ 20% of cost of Plant & Machinery up to Rs. 15 lakh for Micro Units
- ✓ @ 20% of cost of Plant & Machinery up to Rs. 50 lakh for Small Units
- ✓ @ 20% of cost of Plant & Machinery up to Rs. 1 Cr. for Medium Units
- ✓ @ 10% of cost of Plant & Machinery up to Rs. 10 Cr. for Large Units

10.4 In addition to the 3% Interest Subsidy on Working Capital Loan available under NEIDS,2017 or any subsequent policy from Govt. of India/State Govt., units manufacturing EV or their components will be eligible for additional Interest Subsidy @ 2% on Working Capital Loan

11. RECYCLING ECOSYSTEM – BATTERY AND EVs:

11.1 EV batteries typically need to be replaced once they have degraded to operating at 70- 80% of their capacities. EVs are therefore going to outlive the batteries powering them, with a vehicle requiring change of batteries twice in a 10-year life span.

11.2 Batteries that have reached their end of life will need to be either reused or recycled. Lack of adequate reuse or recycling will have a high environmental cost. Not only do EV batteries carry a risk of giving off toxic gases if damaged during disposal, but core materials such as lithium and cobalt are finite and very expensive to extract.

11.3 Re-use of EV batteries that have reached the end of their life will be encouraged and setting up of recycling businesses in collaboration with battery and EV manufacturers that focus on 'Urban Mining' of rare materials within the battery for re-use by battery manufacturers will be promoted.

11.4 EV owners can deposit vehicle batteries that have reached their end of life at any charging point or swapping station landfills and in return get a remunerative price

for the battery. Disposal of EV batteries in any other manner – e.g., in or as scrap, will not be allowed.

11.5 A nodal agency will be appointed to act as an aggregator to purchase EV batteries that are at least 70% of rated capacity. These batteries will be purchased from the charging points and battery swapping stations and will then be re-used as ‘power banks’ to store renewable energy. Batteries procured in such manner will be auctioned to renewable generators within and outside Assam. The nodal agency shall publish purchase price of end of life batteries every month based on auction prices achieved and a margin for itself and the charging points and battery swapping stations.

11. RESEARCH & DEVELOPMENT:

11.1 State Government shall partner with premier Technical Institutes for establishing Centers of Excellence for conducting market-focused research on Battery Technologies, Battery Management, Motors and Controllers.

11.2 Government shall offer financial support to Start-ups for research and innovation in EV & Battery Technologies

12. COMMITTEE FOR APPROVAL:

A State Level Committee (SLC) will be constituted with the following members to monitor implementation of the Policy and develop procedures and modalities as required:

| | | |
|--|---|------------------|
| 1.Sr. Most Secretary to the Govt. of Assam, Industries & Commerce Department | : | Chairman |
| 2. Secretary to the Govt. of Assam, Finance Department | : | Member |
| 3. Secretary to the Govt. of Assam, Science & Technology Deptt | : | Member |
| 4. Commissioner of Transport, Assam | : | Member |
| 5. Managing Director, APDCL | : | Member |
| 6. Director of Employment & Craftsmen Training, Assam | : | Member |
| 7. Member Secretary, Pollution Control Board | : | Member |
| 8. Commissioner of Industries & Commerce, Assam | : | Member Secretary |

Terms of Reference of the State Level Committee:

- i. Monitor implementation of the provisions under the policy in a time bound manner.
- ii. Ensure timely issue of relevant Orders / Government Notifications and amendments as required.
- iii. Bring about inter-departmental co-ordination in respect of matters related to this Policy.
- iv. Approve Fiscal Incentives under the Policy
- v. Review the best practices adopted by different states/countries.
- vi. Committee may co-opt experts in the field as member of the Committee

13. INTERPRETATION:

The decision of the State Government in regards to interpretation of any clause of the policy shall be final and binding.

14. RIGHTS OF THE STATE GOVERNMENT:

- 14.1 The State Government reserves the right to amend any provision(s) including amendment or withdraw any of the incentives/ subsidies as and when necessary for promotion of EV ecosystem and in the interest of the general people of the State from time to time under the provision of the Policy.
- 14.2 The State Government reserves the right to review the matter regarding sanction/ disbursement of subsidies/ incentives and in this connection, the State Government's decision shall be final and binding.
- 14.3 The State Government reserves the right to make/ amend the necessary rules for implementation of this policy as and when required.

15. OPERATIONAL GUIDELINES:

Operating Guidelines for this policy will be issued separately.