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# सूचना-पत्र

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नगरीय निकाय एवं पर्यावरण विभाग द्वारा मध्यप्रदेश इलेक्ट्रिक वाहन नीति, 2019 प्रारूप का प्रारंभिक प्रकाशन विभाग की वेबसाइट www.mpurban.gov.in (दिशा—निर्देश में) एवं विभाग की लिंक http://www.mpurban.gov.in/AboutNewSchemes.asp?id=2 पर नागरिकों द्वारा अपने सुझाव/दावे/आपित्त आमंत्रित किये जाने हेतु किया जाता है। नागरिकों द्वारा अपने सुझाव/दावे/आपित्त अपर आयुक्त, संचालनालय, नगरीय प्रशासन एवं विकास मध्यप्रदेश, पालिका भवन, शिवाजी नगर, भोपाल को पत्र द्वारा अथवा ई—मेल आई.डी. publictransport@mpurban.gov.in पर ई—मेल के माध्यम से 15 दिवस के अंदर प्रेषित किये जा सकते है।

(मनीष सिंह)

अपर आयुक्त

श्री संचालनालय, नगरीय प्रशासन एवं विकास म.प्र.

# DRAFT MADHYA PRADESH ELECTRIC VEHICLE (EV) POLICY 2019



URBAN DEVELOPMENT & HOUSING DEPARTMENT Government of Madhya Pradesh

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### **FOREWORD**

Historically, mobility and fossil fuels have been inextricably linked with electric vehicles being successful only in a few niche markets. However, over the last decade, a collection of circumstances have conspired to create an opening for electric mobility to enter the mass market. The government of Madhya Pradesh has actively taken up the subject of upliftment of Public Transport under various State and Centre sponsored schemes such as Dedicated Urban Transport Fund (DUTF), Atal Mission for Rejuvenation and Urban Transportation (AMRUT) and other foreign aided projects. Though continuous efforts are being made to expand the public transport infrastructure (rolling and solid stock) across the cities of Madhya Pradesh.

The Urban Development and Housing department of Madhya Pradesh has prepared "Madhya Pradesh Electric Vehicle (EV) Policy 2019" to accomplish the objectives of 'Electric Vehicle Initiative (EVI).

Electric Vehicle Initiative (EVI), under Madhya Pradesh Electric Vehicle (EV) Policy 2019, dedicated to accelerating the deployment of EV's. The government of Madhya Pradesh has actively taken the subject of EVI. Adoption of Electric Vehicle for Road Transport contributes to a wide range of goals. These include better air quality, reduction in noise pollution, enhanced energy security and in combination with a low carbon power generation mix, reduced greenhouse gas emission. Though continuous efforts are being made to expand the EVI network in cities, but considering the present situation of air quality in state, EVI is expected to play a pivotal role in controlling noise and air pollution. Despite Central and State Government incentives, pure electric vehicle penetration currently remains quite low in India, about 0.1% for cars, 0.2% for 2 wheelers and practically nil for commercial vehicles. This is largely driven by following critical hurdles, Low level of investment in EV manufacturing capacity, High upfront purchase price of EVs, Lack of Initiative in this program, Lack of product comparable to ICE vehicles (especially in 2 wheeler vehicles).

The main objective of EVI is to bring about a material improvement in air quality by bringing down emissions form transport sector. To do so, this policy will seek to drive rapid adoption of Electronic Vehicles (EV) in a manner where they contribute to 25% of all new vehicle registration by 2024. Currently, the local bodies of state lack the initiative required to improve air quality, but this policy will play pivotal role in this. In addition, there is a pressing need to inculcate behavioural change among the citizens and capacity among stakeholders to ensure successful implementation of EVI in state. The policy shall act as a guiding document for the local bodies by setting the context, priorities and direction to ensure proper implementation of EVI across all the areas of the state.

#### **TERMINOLOGIES**

**Electric Vehicle:** Electric Vehicle (EV) refers to automobiles using an electric motor that is driven by either batteries, ultra capacitors or fuel cells.

**Battery Electric Vehicle:** The term battery electric vehicle (BEV) refers to automobiles with only electric motor and advanced batteries (to power the engine) with similar or more energy density than that of a Lithium Ion battery. Hybrid electric vehicles with fossil fuel based engines, are not covered under this policy.

**Fuel Cell Electric Vehicle:** Fuel Cell Electric Vehicle (FCEV) refers to the vehicle which uses a fuel cell in combination with a battery or super-capacitor, to power its on-board electric motor. Fuel cell in vehicles generate electricity to power the motor, by using hydrogen as fuel.

**EV Charger:** An EV charger, also called Electric Vehicle Supply Equipment (EVSE) is an element in EV infrastructure that supplies electric energy for recharging the electric vehicles. As proliferation of EVs depends on access to the charging infrastructure, the nation needs to follow common specifications and standards for the infrastructure be used for all categories of vehicles and help it scale seamlessly.

**Private Charger:** The home private chargers are generally used with 230V/15A single phase plug which can deliver a maximum of up to about 2.5KW of power. Thus, the vehicles can be charged only up to this rate. The billing for the power is part of home-metering. This will be continued till a policy evolves to charge the home users differently for EV use, however, inclusion of RCD (Residual Current Devices) should be ensured. IEC 60309 Industrial connector to be used from both ends. The existing Indian safety guidelines should be followed.

**Public Charger:** For charging outside the home premises: the electric power needs to be billed and payment needs to be collected. Further, the charges may depend on state of grid (whether it is power-surplus or is in power-deficit state). The power utilities may also want to manage power drawn by these chargers from time to time.

**Charger Classification:** With reference to the charger types discussed above, it is more appropriate to classify chargers based on power rating instead of the rate of charging vis-à-vis "slow-chargers" or fast-chargers". The definition of "slow chargers" and "fast chargers" is not sufficient, as the same charger should be acting as a slow charger or a fast charger depending upon the vehicle to be charged. For example, a 2.5KW charger will be slow charger for a 4-wheeler but could be a fast charger for a 2-wheeler.

**AC Chargers:** Batteries are DC and needs DC power for charging it. If the public chargers (also known as off- board chargers) are DC chargers, the batteries / vehicles could be charged directly. For public outlets feeding AC supply to the EV, the chargers are on-board and these on-board chargers are supplied by vehicle manufacturer.

**On-board charger:** Charger mounted on the vehicle and designed to operate only on the vehicle.

**Off-board charger:** Charger connected to the premises wiring of the a.c. supply network (mains) and designed to operate entirely off the vehicle. In this case, direct current electrical power is delivered to the vehicle.

**Dedicated off-board charger:** Off-board charger designed to be used only by a specific type of EV, which may have control charging functions and/or communication.

**Charging:** All functions necessary to condition standard voltage and frequency AC supply current to a regulated voltage/current level to assure proper charging of the EV traction battery and/or supply of energy to the EV traction battery bus, for operating on-board electrical equipment in a controlled manner to assure proper energy transfer.

Charging/Battery Swapping Equipment: Equipment that is exclusively used to charge the battery or swap the battery inside a BEV. These equipment can be installed at existing fuel stations or separate charging or battery swapping stations. This policy doesn't cover incentives for manufacturing any supporting equipment (such as transformers, junction boxes etc.) that is not exclusive to BEV charging/swapping equipment.

**MPUDHD:** Madhya Pradesh Urban Development And Housing Department.

**Electric Mobility Ecosystem:** This policy addresses various components and end products of the electric mobility ecosystem. Such an ecosystem encompasses the "Electric Vehicles and components such as Lithium Ion Batteries (or other advanced batteries with comparable energy/power densities), Super capacitors, Fuel cell systems, EV Charging equipment, Hydrogen generation, storage and refuelling equipment, Battery swapping equipment, EV Motors & Controllers and other EV powertrain components, Battery management systems, EV electronics, electric harness etc. integral to the functioning of an EV.

MPIPP: Madhya Pradesh Industrial Promotion Policy 2010/2014

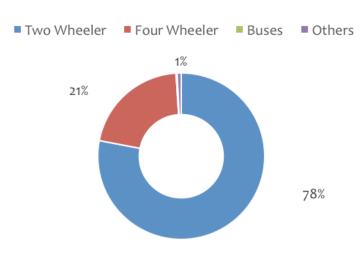
# **ABBREVIATION**

AMRUT	Atal Mission for Rejuvenation and Urban Transformation
ARAI	Automotive Research Association of India
AC	Auto Clusters
ASMC	Automotive Suppliers Manufacturing Centres
BEV	Battery Electric Vehicles
BSO	Battery Swapping Operators
CI	Charging Infrastructure
CAPEX	Capital Expenditure
CSR	Corporate Social Responsibility
DL	Driving Licence
EV	Electric Vehicle
EESL	Energy Efficiency Services Limited
EV2X	Electric Vehicle To Everything
ER	E-Rickshaws (ER)
ECS	Equivalent Car Spaces
EO	Energy Operators
EMS	Electric Mobility Cell
FCEV	Fuel Cell Electric Vehicle
GoMP	Government of Madhya Pradesh
ICE	Internal Combustion Engines
ISBT	Inter State Bus Terminals
UDHD	Urban Development & Housing Department (UDHD)
DISCOM	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited
MSSO	Mini Swapping Station Operators
MPEMB	Madhya Pradesh Electric Mobility Board
MPPCB	Madhya Pradesh Pollution Control Board
NBFC	Non-Banking Financial Companies
R&D	Research & Development
RWA	Residents Welfare Associations
SEMF	State Electric Mobility Fund
STU	State Government Transportation Units
SC	Skill Centres
TSR	Three-Seater Auto-Rickshaws

# 1. BACKGROUND

Madhya Pradesh is the second largest State of the country. Covering almost 9.5% of the area (308,000 sq.km), it has 6% (72.5 million) (Census 2011) of the country's total population. According to the 2011 Census, the State has registered 25 percent decadal growth in urban population when compared against data from 2001 census. The transportation needs for the state are catered by 4,709km of National Highways, 10,859km of State

Highways, 19,574km of Major District Roads and 24,209km of Rural Roads. The road network in MP currently services traffic which has increased at an average rate of 12.91% from year 2000 to 2010. The transport policy of MP predicts that the number registered commercial vehicles in the state will increase at the rate of 10% annually. The share of all the modes of transport out of a total 60 lakh registered in the state is presented in Figure 1.



From the year 2011 to 2014 alone, the number of newly registered vehicles in MP was over 23 lakhs. 90% of these vehicles constituted of two wheelers and four wheelers used for private transit. Estimating from these numbers, almost 2,000 newly registered two and four wheelers are introduced in the state every day. This cuts a bleak figure in terms of vehicular emissions as tailpipe emissions have been proven to be a significant aggregator towards increasing levels of air pollution.

Special Purpose Vehicles (SPV) have been constituted in 20 cities for implementing the cluster-based bus system comprising of authorities (Mayor, Collector, Municipal Commissioner/ Chief Municipal Officer, Traffic Police, RTO, Police, Municipal Corporation) from various Urban Local Bodies (ULB). The role of these SPVs is to facilitate, regulate, oversee and strive to grow intra-city as well as inter-city public bus transport in MP and their respective cities. For putting the project in action, 3 major components were devised,

- (i) Bus Procurement & Operation,
- (ii) Intelligent Transport Management System (ITMS),
- (iii) Bus Terminal & Bus Stops Development

Recently, under the central government's scheme AMRUT, buses have been slated to be provided to various SPVs in the state. Out of these 438 buses have been put into operations. These buses will connect small cities/ villages of the state to the larger cities in MP.

This system is intended to provide the citizens of the said cities/villages accessibility to services like healthcare, education, employment etc. present in the bigger cities in the state.

The Madhya Pradesh Electric Vehicle (EV) Policy 2019, to be notified by the Government of Madhya Pradesh ('GoMP') and which will remain valid for five years from the date of notification, recognises that a new approach is required to kick-start EV adoption in Madhya Pradesh. It will therefore seek to put in place measures that address the key hurdles to EV adoption. The Government of Madhya Pradesh ('GoMP') will also develop a communication plan focused on driving awareness regarding the benefits of adopting electric vehicles and the key elements of this policy.

This policy will apply exclusively to Battery Electric Vehicles (as defined in Annexure -1, FAME India). Mild Hybrid, Strong Hybrid and Plug-in Hybrid Electric Vehicles will not be targeted by this policy. 'FAME India' in this policy refers to the Scheme for Faster Adoption and Manufacturing of Hybrid & Electric Vehicles in India as notified on 13th March, 2015 by the Govt. of India and any subsequent amendments thereof.

Internal combustion engines (ICEs) are one of the key technological innovations that have facilitated faster and efficient movement of both people as well as goods. Over the decades, an improvement in their efficiency, an increase in oil drilling and innovation in manufacturing have brought considerable momentum to adoption and growth of automobiles and fuelled economic growth.

The Government of Madhya Pradesh ('GoMP') understands that the transformation has to begin in cities over the next decade while the charging infrastructure are built to support the adoption of EVs. It is foreseen that adoption of EVs might begin with public transportation, stage carriers and commercial taxi & scooter fleet providers, given the comparable total cost of ownership between EVs and ICE vehicles in their usage model. As parity between the cost of an EV and ICE vehicle is achieved along with proliferation of charging infrastructure inside the cities and on highways, the end of next decade could potentially see mass adoption of EVs.

The GoI has provided tremendous support for EVs through incentives under "Faster Adoption and Manufacturing of Hybrid and Electric Vehicles" (FAME) Policy. The Ministry of New and Renewable Energy has also supported R&D and demonstration projects on various aspects of hydrogen energy including its production, storage and use as a fuel for generation of mechanical / thermal / electrical energy. Accordingly, the Government of Madhya Pradesh has identified Electric Mobility space to be robust growth driver in the years to come. It aims to be a frontrunner in building a sustainable transportation infrastructure by promoting Electric Mobility Ecosystem in Madhya Pradesh.

# 2. OBJECTIVES

- **2.1.** The primary objective of the Madhya Pradesh Electric Vehicle (EV) Policy 2019 is to promote sustainable electric mobility and bring about a material improvement in Madhya Pradesh air quality by bringing down emissions from transport sector. To do so, this policy will seek to drive rapid adoption of Electric Vehicles (EVs) in a manner where they contribute to 25% of all new public transport vehicles registrations by 2026.
- **2.2.** To enable faster adoption of electric vehicles in Madhya Pradesh by ensuring safe, reliable, accessible and affordable Charging Infrastructure eco-system and promoting the renewable energy usage in charging infrastructure.
- **2.3.** This policy will also seek to put in place measures to support the creation of jobs in driving, selling, financing, servicing, charging and manufacturing of EVs.

### 3. SCOPE OF POLICY

- **3.1.** This policy is applicable only to EVs and the components that are integral to its manufacturing and operation (EV charging or BEV (Battery Electric Vehicle) battery swapping infrastructure).
- 3.2. Firms availing incentives under this policy will not be eligible for incentives under the Automobile policy or the industrial policy of the GoMP. Separate guidelines will be issued for implementation of this policy.
- **3.3.** Private Transport In order to achieve the above-mentioned goals and objectives, the policy targets a substantial substitution of currently registered ICE vehicles being used with various electric vehicles throughout MP.
- **3.4.** Public Transport Through this policy the existing intracity bus fleets in the state will be augmented (or substituted) by electric buses to reduce energy consumption, harmful emissions in public transport sector and improve local and global air quality. Cities of the state where electric bus operations are not warranted due to low population, e-rickshaws, e-auto rickshaws will be promoted as modes of public transport. Intercity
- **3.5.** Charging infrastructure This policy will provide the guidelines for development of adequate charging infrastructure for various EVs, both as public and private transit entities and usage of renewable energy in charging infrastructure.
- **3.6.** Introducing an online portal for information regarding EVs, applying for EV related incentives, information regarding charging infrastructure etc.

- 3.7. Assimilation of electric buses in current public transport bus fleets throughout the state
- **3.8.** Introducing shared electric rickshaws and electric auto-rickshaws as a means for last mile connectivity
- **3.9.** Setting up state-of-the -art charging infrastructure for public usage.
- **3.10.** To create newer employment opportunities.
- **3.11.** To promote sustainable electric vehicle enabled transport system.
- **3.12.** GoMP will facilitate the production of all kinds of electric vehicles by providing handholding support to manufacturers. Guidelines for production of vehicles and for the manufacturing plant setup will be provided by Madhya Pradesh Urban Development & Housing Department (UDHD) at a later stage.

#### 4. NODAL ORGANISATION

- **4.1.** Madhya Pradesh Urban Development & Housing Department (UDHD), Government of Madhya Pradesh ('GoMP'), will be the nodal department for the implementation of Madhya Pradesh Electric Vehicle (EV) Policy 2019.
- **4.2.** The Government of Madhya Pradesh (GoMP) will setup a high level committee consisting of stakeholders from all concerned departments. The government will issue new directives to the respective departments to include any support needed for furtherance of Electric Vehicle (EV) in their operational policy under ease of doing business.

### **5. EXPECTED OUTCOMES**

- **5.1.** To embrace electric mobility as a tool to promote shared mobility and clean transportation and ensure environmental sustainability, pollution reduction, energy efficiency and conservation and to create an ecosystem for manufacturing EV components in MP.
- **5.2.** To encourage reliable, affordable and efficient EVs that meet performance and price through Government collaboration for promotion and development of indigenous manufacturing capabilities, required infrastructure, consumer awareness and technology.
- **5.3.** Reduce primary oil consumption in transportation.
- **5.4.** Facilitate customer adoption of electric and clean energy vehicles.
- **5.5.** Encourage cutting edge technology through adoption, adaptation, and research and development.

- **5.6.** Improve transportation used by the common man for personal and goods transportation.
- **5.7.** Reduce pollution in state. The number of vehicles on the road will get reduced with the introduction of modern shared transport systems like air-conditioned electric buses, e-cabs and e-rickshaws.
- **5.8.** Create EV manufacturing capacity that is of global scale and competitiveness.
- **5.9.** Facilitate employment growth in a sun-rise sector.
- **5.10.** Enhancement of EV's coverage by filling gaps with EVSE (Electric vehicle service equipment) management options by developing sustainable EV infrastructure (adequate to the requirement, technologically appropriate, financial feasible and contextual to the area).
- **5.11.** Creation of inclusive EV infrastructure by providing city wide accessibility (including unserved and under-served areas) of all the components of EV value chain.
- **5.12.** Enabled environment for recycling and reuse batteries.
- **5.13.** Regular operation and maintenance of existing and proposed EV's infrastructure.
- **5.14.** Attract investments and create employment opportunities around power electronics, battery pack assembly, battery management system, electric motors, accessories and skilled areas like IT and R&D etc.

#### 6. LEGISLATIVE AND REGULATORY CONTEXT

# 6.1. LAWS, RULES AND REGULATIONS (CENTRAL)

- (i) The Motor Vehicles Act, 1988
- (ii) National Building Code, 2005
- (iii) Ministry of Road Transport & Highways (MORTH) Guidelines / Circulars

#### 6.2. LAWS, RULES AND REGULATIONS (STATE)

- (i) Madhya Pradesh Municipal Corporation Act, 1956
- (ii) Madhya Pradesh Municipal Council Act, 1961
- (iii) Madhya Pradesh Bhumi Vikas Adhiniyam, 2012

#### 6.3. OPERATIONAL CONTROLS/ GUIDELINES

**6.3.1.** Madhya Pradesh Electric Vehicle (EV) Policy 2019 and all applicable guidelines, circulars and any other regulations issued by Government of India (GoI) and Government of Madhya Pradesh (GoMP).

# 6.4. REVISION OF TRANSPORT REGULATIONS FOR EVS

- **6.4.1.** All regulations below are applicable only for FCEVs (Fuel Cell Electric Vehicle) and BEVs (Battery Electric Vehicle) using advanced battery technologies with energy/power density similar or more than that of a Lithium-ion battery.
- **6.4.2.** Electric Autos will be given permits on priority.
- **6.4.3.** Low power Electric rickshaws will be allowed only in certain areas or outside major cities to avoid congestion.
- **6.4.4.** Corporates will be allowed to own and operate electric 3-wheelers.
- **6.4.5.** Registration will be allowed for 2 wheelers, 3-wheelers and 4-wheelers retrofitted with an electric motor and an electric powertrain using advanced battery technologies and certified by Automotive Research Association of India (ARAI) or other government recognised agency.
- **6.4.6.** In order to avoid congestion in cities, EVs will be mandated in cities while phasing out polluting vehicles in parallel.
- **6.4.7.** Electric mobility blueprint will be created for the entire state for a phase wise transition to EVs.
- **6.4.8.** Registration of EVs will be done online immediately.

#### 7. STRATEGY

The GoMP wants to achieve its objectives by emphasising on

- (i) Driving EV Adoption
- (ii) Electric Vehicle Type Incentive Structure
- (iii) Manufacturing of EV and its Components
- (iv) Charging Infrastructure (CI)
- (v) Recycling Ecosystem Battery and EVS
- (vi) Demand Creation for EVs
- (vii)Research & Development

#### 8. DRIVING EV ADOPTION

To drive large scale adoption of EVs and maximise reduction of vehicle emissions, this policy will therefore focus attention on:

- 8.1. incentivising the purchase and use of electric vehicles (EV),
- **8.2.** supporting the charging infrastructure of public/shared transport.
- **8.3.** enable investment into charging/battery swapping infrastructure development.
- **8.4.** Private charging at residences / offices shall be permitted. DISCOM may facilitate the same.
- **8.5.** create a skilled workforce which is attuned to the needs of EV ecosystem.
- **8.6.** promote usage of Electric Vehicle (EV's) to enable transition to environment friendly cities.
- **8.7.** build next generation transportation infrastructure using Electric Vehicle to Everything (EV2X) platforms.

# 9. ELECTRIC VEHICLE TYPE INCENTIVE STRUCTURE

Following sections discusses the policy framework and incentives on the purchase of the following categories of electric vehicles.

- (i) Two-wheelers
- (ii) Shared E-Rickshaws
- (iii) Auto Rickshaws
- (iv) Goods Carriers (3 Wheeler)
- (v) Electric Car
- (vi) Buses
- (vii) Other Vehicles

All the electric vehicles that will be used in public transport services inside the city limits (Buses, shared rickshaws etc.) will operate under the rules and regulations constituted by the respective Urban Local Bodies where they operate. Any failure in following these guidelines will be met with monetary penalisation on the operator. Preferential permits for

electric commercial vehicles will be provided under a separate policy by Madhya Pradesh Urban Development & Housing Department (UDHD).

#### 9.1. TWO WHEELERS

The incentives listed below will be available for electric two wheelers:

#### 9.1.1. INCENTIVES

- (i) Regulatory Incentive: All the electric two-wheelers will be exempted/reimbursed from road tax/ vehicle registration fees for an initial period of 5 years only.
- (ii) Parking Cost: All electric two-wheelers will be provided a 100% waiver on parking charges at any Municipal Corporation run parking facility for an initial period of 5 years only.

#### 9.1.2. PARAMETERS

- (i) The incentives will be available for two-wheelers which fulfils the FAME India criteria or vehicles whose specifications are approved by ARAI/ CIRT/ ICAT/ VRDI or any other equivalent government agency or by Madhya Pradesh Urban Development & Housing Department (UDHD).
- (ii) All the incentives shall be applicable to only those vehicles whose maximum power output does not be exceed 250 Watts.
- (iii) The incentives will be applicable to the vehicle that have an "Advanced Battery" as defined by the FAME framework of the GoI.

# 9.2. SHARED E-RICKSHAWS (SR)

A Shared Rickshaws (SR) is a small battery operated 3-wheeler vehicle which has a seating capacity of 4 passengers excluding the driver. Due to their size, speed and battery capacity these are generally useful for short journeys complimenting existing public transit options.

The number of Shared Rickshaws (SR) in the state of Madhya Pradesh has grown rapidly and they provide useful means for last mile connectivity. This policy will aim to support the use of shared e-rickshaws that are safe and driven in compliance with regulations, and for the replacement of e-rickshaws.

#### 9.2.1. INCENTIVES

#### a. Regulatory Incentives

- (i) Permit for all the electric Shared Rickshaws (SR) will be provided free of cost.
- (ii) The Shared Rickshaws (SR) will be given express route permissions on first come, first serve basis. These permissions will be provided exclusively by the respective Public transport special purpose vehicle (SPV) and any e-rickshaw must be operated after taking these permissions whether or not the vehicle has been purchased availing the incentives outlined in this policy. The purchaser will be given a choice between different available routes which shall be defined by the respective city Public transport special purpose vehicle (SPV). These permits will authorise the purchaser to run operations on the specified routes complementing existing public transit (if available). The number of SR's will be regulated on the routes to avoid over-saturation and provide viable earning opportunity to the purchaser. New routes will be added time to time by the city Public transport special purpose vehicle (SPV) for accommodating all the Shared Rickshaws (SR) and for providing the best possible last mile connectivity opportunities for the public transit commuters.
- (iii) The existing city Public transport special purpose vehicle (SPV) will be authorised for the operation and regulation. The route will be decided by Public transport special purpose vehicle (SPV). In future the route can be changed, based on public demand and movement. It might be mandatory to install GPS and monitoring system to vehicles for proper regular monitoring.
- (iv) Regulatory Incentive: All the Shared E-Rickshaw will be will be exempted/reimbursed from road tax/ vehicle registration fees for an initial period of 5 years only.

#### b. Parking Cost

All Shared Rickshaws (SR) will be provided a 100% waiver on parking charges at any Municipal Corporation run parking facility for an initial period of 5 years only.

#### 9.2.2. PARAMETERS

- (i) The purchaser must have a driver's license.
- (ii) The purchaser must procure an Shared Rickshaws (SR) which has been approved by either Automotive Research Association of India (ARAI)/ The Central Institute of Road Transport (CIRT)/ The International Centre for Automotive Technology (ICAT)/ Vehicle research and development establishment (VRDI), Faster Adoption and Manufacturing

of (Hybrid &) Electric Vehicles (FAME) scheme or Madhya Pradesh Urban Development & Housing Department (UDHD).

(iii) The purchaser must procure an Shared Rickshaws (SR) with swappable battery.

### 9.3. ELECTRIC AUTO RICKSHAWS (ER)

Passenger three wheelers or 'Electric Auto-Rickshaws (EARs)' or 'Autos' are a critical part of the public transport infrastructure in Madhya Pradesh. Travelling up to 100 km per day, they provide last mile connectivity and access to areas that are underserved by public transport. Madhya Pradesh Electric Vehicle (EV) Policy 2019 will aim to incentivise the purchase and use of new electric autos with swappable batteries ('e-autos') instead of ICE equivalents and simultaneously promote conversion of existing CNG autos to e-autos. Following incentives shall be provided by Government of Madhya Pradesh ('GoMP') in addition to the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME India demand incentive:

#### 9.3.1. INCENTIVES

#### a. Regulatory Incentives

- (i) An open permit system will apply to approved e-autos, with no limits on the number of Auto Rickshaw Permits ('e-auto Permits') to be issued. The list of approved e-autos will be notified by Madhya Pradesh Urban Development & Housing Department (UDHD) after consultation and co-ordination with the Department of Transport. This list will comprise passenger three wheelers listed as being eligible under Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME India (having fulfilled all the eligibility and testing conditions as specified under the scheme) and additionally should be vehicles which use a swappable Advance battery.
- (ii) Permit for all the electric Auto Rickshaw's will be provided free of cost.
- (iii) The purchaser of Electric Auto-Rickshaws (EAR) will be given express permissions through Public transport special purpose vehicle (SPV) for operating their vehicle.
- (iv) Some cities in the state will stop registering new ICE Electric Auto-Rickshaws (EAR's) altogether. The details of this directive will be drafted and implemented separately by Madhya Pradesh Urban Development & Housing Department (UDHD) at a later date.
- (v) All the Electric Auto-Rickshaw will be will be exempted/reimbursed from road tax/ vehicle registration fees for an initial period of 5 years only.

#### b. Parking Cost

All ARs will be provided 100% rebate on parking costs at any Municipal Corporation run parking facility for an initial period of 5 years only.

#### 9.3.2. PARAMETERS

- (i) The buyer should have a driver license and an auto-rickshaw badge.
- (ii) The buyer can purchase a shared-rickshaw with an approved make and model only.

#### 9.4. GOODS CARRIERS (3 WHEELER)

Three wheeler goods carriers are useful for low capacity, short haul deliveries in congested areas of the city. This policy recognises their importance and will seek to incentivise the electrification of this fleet. Specific measures aimed at supporting this segment of vehicles are:

#### 9.4.1. INCENTIVES

#### a. Regulatory Incentives

- (iii) Permit for all the electric three wheeler goods Carrier will be provided free of cost.
- (iv) Regulatory Incentive: All the Electric three wheeler goods Carrier will be will be exempted/reimbursed from road tax/ vehicle registration fees for an initial period of 5 years only.

#### b. Parking Cost

All Electric three wheeler goods Carrier will be provided a 100% waiver on parking charges at any Municipal Corporation run parking facility for an initial period of 5 years only.

#### 9.4.2. PARAMETERS

- (i) The purchaser must have a driver's license.
- (ii) The purchaser must procure an Shared Rickshaw (SR) which has been approved by either Automotive Research Association of India (ARAI)/ The Central Institute of Road Transport (CIRT)/ The International Centre for Automotive Technology (ICAT)/ Vehicle research and development establishment (VRDI), Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) scheme or Madhya Pradesh Urban Development & Housing Department (UDHD).

(iii) The purchaser must procure an Electric three wheeler goods Carrier with swappable battery.

#### 9.5. ELECTRIC CAR

Although in India, majority of the population uses two-wheelers as their primary means of transportation, use of cars is becoming more prevalent year-on-year. This trend is accentuated by the incoming and rising popularity of ride hailing services in the larger cities. Through this policy the state will try to make e-cars a viable alternative for individuals and car sharing service aggregators to the ICE cars in an effort to drive down ICE car demand and use.

#### 9.5.1. INCENTIVES

- (i) Regulatory Incentive: All the electric cars will be will be exempted/reimbursed from road tax/ vehicle registration fees for an initial period of 5 years only.
- (ii) Parking Cost: All electric cars will be provided a 100% waiver on parking charges at any state-run parking facility for an initial period of 5 years only.

#### **9.5.2. PARAMETERS**

- (i) The incentives will be available for electric cars which fulfil the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) India criteria or vehicles whose specifications are approved by Automotive Research Association of India (ARAI)/ The Central Institute of Road Transport (CIRT)/ The International Centre for Automotive Technology (ICAT)/ Vehicle research and development establishment (VRDI) or any other equivalent government agency or by Madhya Pradesh Urban Development & Housing Department (UDHD).
- (ii) The incentives will be applicable to the vehicle that have an "Advanced Battery" as defined by the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) framework of the Gol.

#### 9.6. **BUSES**

#### 9.6.1. INTRA-CITY BUSES

- (i) Electric buses play a substantial part in improving a city's overall environment. Buses do this by providing a viable alternative to the private vehicles thus reducing the number of vehicles on road and subsequently tail pipe emissions. Buses also help promoting socio-economic equity by providing access to individuals from all walks of life to opportunities like jobs, education, healthcare, recreation etc.
- (ii) Through this policy Madhya Pradesh Urban Development & Housing Department (UDHD) will encourage city Public transport special purpose vehicle (SPV's) to replace 50% of their respective fleets with electric buses by 2026. If any of the cities do not have a functioning public transit system involving buses, then those cities will have to procure all electric buses by 2030. This acquisition shall be in tune with the standards/guidelines set by MoUD i.e. 1 bus per 1000 citizens.
- (iii) The operations of these buses will be done under the umbrella of city Public transport special purpose vehicle (SPV's) on both existing as well as new routes which run inside the city limits. These routes shall come under the directive of Madhya Pradesh Urban Development & Housing Department (UDHD).
- (iv) Also, the bus operators who wish to scrap/ decommission their existing diesel-powered buses and replace them with electric buses shall be provided monetary aid through DUTF as decided by Madhya Pradesh Urban Development & Housing Department (UDHD).

#### 9.6.2. INTER-CITY BUSES

- (i) Inter-city transport in Madhya Pradesh has seen immense growth in the past decades. With ever increasing road network inter-city transport is expected to reach unprecedented levels in the coming decade. This growth in patronage has attracted many private operators to run inter-city operations successfully. As a result, inter-city public transport is flourishing in the state.
- (ii) To capitalise on this trend electric buses can be run-on well-known routes connecting major cities in the state, Indore, Bhopal, Jabalpur, Gwalior and Ujjain. These cities have an extensive network transport amongst themselves and are major contributors to citizen exchange. Earlier when battery technology was inferior and unsafe due to Lead based charging mechanism, long distance travel was a far-fetched idea. Today

battery technology has progressed to the point where Lithium-ion batteries have not only made it safer but charging the batteries has become much faster than before. Also, with battery swapping technology the entire process of refuelling buses has become feasible and fast.

(iii) Thus, Public transport special purpose vehicle (SPV's) from the above-mentioned cities will be encouraged to run e-bus operations amongst them through Public Private Partnership model as are being run currently. The buses to be used for these operations will be those which facilitate battery swapping so that they may run over long distances without having to stop for extended periods of time for refuelling. Further, private operators can be encouraged to switch from ICE buses to e-buses over the course of the next decade.

#### 9.6.3. INCENTIVES

- (i) All the electric buses will be will be exempted/reimbursed from road tax/ vehicle registration fees for an initial period of 5 years only.
- (ii) The electric buses will be provided express permits, all the permits charges will be exempted/reimbursed for an initial period of 5 years only.
- (iii) All the electric buses will be provided a 50% rebate on toll taxes in the state under this policy for an initial period of 5 years only.

#### **9.6.4. PARAMETERS**

- (i) The incentives will be available for the buses which fulfil the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) India criteria.
- (ii) The buses whose routes cross city limits will come under the directive of Department of Transport, GoMP.

#### 9.7. OTHER VEHICLES

**9.7.1.** Road tax, registration fees and Municipal Corporations parking fee will be waived for all other electric vehicles that are eligible for FAME India demand incentives. This waiver will apply for the period of this policy i.e. 2019 - 2023.

#### 10. CHARGING INFRASTRUCTURE

Experience in other cities across the globe indicates that availability of charging infrastructure is a key driver of EV adoption. The objective of this policy will be to create an enabling environment for the provision of private as well as public charging infrastructure.

Setting up of Public Charging Stations (PCS) shall be a de-licensed activity and any individual/entity is free to set up public charging stations, provided that, such stations meet the technical as well as performance standards and protocols laid down below as well as any further norms/standards/specifications laid down by Ministry of Power and Central Electricity Authority from time to time.

Any person seeking to set up a Public Charging Station may apply for electric connectivity and he shall be provided connectivity on priority by the Distribution Company (DISCOM) licensee to supply power in the area.

#### 10.1. TYPES OF CHARGING STATIONS

CHARGING STATION TYPE	VEHICLE CATEGORY	LOCATION APPLICABILITY
<b>Small Charging Stations</b>	2-Wheelers & 3-Wheelers	City
<b>Medium Charging Stations</b>	2-Wheelers, 3-Wheelers & Cars	City & Highways
Large Charging Stations	2-Wheelers, 3-Wheelers, Cars & Heavy Duty Vehicles	City & Highways

Standard layout of public charging station as per the above mentioned category shall be provided by the Madhya Pradesh Urban Development and Housing Department

# 10.2. PUBLIC CHARGING STATION (PCS) ON GOVERNMENT AND PRI-VATE LAND- MINIMUM REQUIREMENTS

- **10.2.1.** Every Public Charging Station (PCS) shall have the following minimum infrastructure as prescribed in the Guidelines and Standards notified by Ministry of Power, dated 14 December 2018 for "Charging Infrastructure for EVs".
- **10.2.2.** 33/11 KV line/cables with associated equipment including as needed for line termination/metering etc.

**10.2.3.** Current international standards that are prevalent and used by most vehicle manufacturers internationally are Combined Charging System (CCS) and CHArge de MOve (CHadeMO). Hence, Public Charging Stations shall have, one or more electric kiosk/boards with installation of all the charger models as follows:

Charger Type	Charger Connectors*	Rated Voltage (V)	No. of Charging Points/No. of Connector guns (CG)
Fast	CCS (min 50 kW)	200-1000	1/1 CG
	CHAdeMO (min 50 kW)	200-1000	1/1 CG
	Type-2 AC (min 22 kW)	380-480	1/1 CG
Slow/Moderate	Bharat DC-001 -15 kW)	72-200	1/1 CG
	Bharat AC-001 -10 kW)	230	3/3 CG of 3.3 kW each

<sup>\*</sup>In addition, any other fast/slow/moderate charger as per approved BIS standards whenever notified.

As prescribed in the Guidelines and Standards notified by Ministry of Power, dated 14 December 2018 for "Charging Infrastructure for EVs"

- **10.2.4.** The Public Charging Station Providers are free to create Charging Hubs and to install additional number of Kiosk/Chargers in addition to the minimum number of chargers prescribed above along with battery swapping facility.
- **10.2.5.** Share charging station data with DISCOM and to maintain appropriate protocols as prescribed by DISCOM for this purpose. The Madhya Pradesh Urban Development & Housing Department (UDHD) shall have access to this database.
- **10.2.6.** Appropriate public amenities like cafeteria, public toilets and outdoor media devices etc shall be allowed only on medium and large public charging stations on highways. Under Municipal control area only public toilets and outdoor media devices shall be allowed on public charging stations.
- **10.2.7.** Public Charging Station must have Standalone battery swapping facilities in addition to the above mandatory facilities, provided space/other conditions permit.

# 10.3. PRIVATE CHARGING POINTS (PCP) NON COMMERCIAL

**10.3.1.** Private Charging Points meant for self-use of individual EV owners (non-commercial basis). The above minimum infrastructure requirements do not apply to Private Charging Points.

**10.3.2.** Captive charging infrastructure for 100% internal use for a company's own/leased fleet for its own use will not be required to install all type of chargers and to have National Service Providers (NSP) tie ups.

#### 10.4. TARIFF CHARGED BY EV PUBLIC CHARGING STATIONS

**10.4.1.** The tariff charged by Public Charging Station (PCS) for charging of Electric Vehicle (EV) shall be determined by the appropriate regulatory commission, provided however that the tariff shall not be more than the average cost of supply plus 15(fifteen) percent.

**10.4.2.** The tariff applicable for domestic consumption shall be applicable for domestic charging.

#### 10.5. SERVICE CHARGES AT PCS/BCS

**10.5.1.** As per the circular of Ministry Of Power vide letter No. 23/08/2018-R&R dated 13.04.2018 for the charging of EV the State Nodal Agency (Madhya Pradesh Urban Development and Housing Department) shall fix the ceiling of the Service Charges to be charged by the Public Charging Stations.

#### 10.6. PROTECTION AND SAFETY REQUIREMENTS

**10.6.1.** Safety and protection to be ensured for India specific environment (As per Automotive Industry Standard (AIS) 138 Part1) or any other guidelines, circulars, protocols, regulations and standards published by Government of India (GOI) and Government of Madhya Pradesh (GoMP).

# 10.7. FINANCIAL INCENTIVES FOR PUBLIC CHARGING STATIONS DE-VELOPED ON GOVERNMENT AND PRIVATE LAND

CHARGING STATION TYPE	VEHICLE CATEGORY
Small Charging Stations	On Chargers: Capital Subsidy of 25% of the value of the charging station equipment/machinery for first 300 charging stations upto a Maximum subsidy of INR 2,00,000.
Medium Charging Stations	On Chargers: Capital Subsidy of 25% of the value of the charging station equipment/machinery for first 100 stations upto a Maximum subsidy of INR 4,00,000.
Large Charging Stations	On Chargers: Capital Subsidy of 25% of the value of the charging station equipment/machinery for first 100 stations upto a Maximum subsidy of INR 10,00,000.

#### 10.8. PUBLIC CHARGING STATION ON GOVERNMENT LAND

Providing accessible public charging and battery swapping facilities anywhere in Madhya Pradesh is a key objective of this policy. Keeping this in mind, the following steps will be followed to set a public charging and battery swapping network across Madhya Pradesh:

- **10.8.1.** The each city will be divided into required 'Travel Districts' mapping onto existing municipal wards/zones as the requirement may be. 'Energy Operators' (EOs) will be invited to bid to set up charging stations along with battery swapping facility in each of the travel districts. Madhya Pradesh Urban Development & Housing Department (UDHD), Government of Madhya Pradesh ('GoMP') shall identify the Charging Stations locations.
- **10.8.2.** Locations for these charging stations and battery swapping stations will be allotted by respective District Collectors (as nodal officers) to the operational Public Transport Special Purpose Vehicles (SPV). These charging stations along with battery swapping facility will be carved out from existing public parking zones, bus depots and terminals, and locations such that they offer easy entry and exit.
- **10.8.3** Energy Operators (EOs) will be granted fixed capital subsidy (VGF) as per above mentioned clause 10.7 "Financial Incentives For public Charging Stations developed on government and private land" for developing charging stations on government land.
- **10.8.4.** Energy Operators (EOs) will be selected for each travel district based on competitive bidding on the basis of "Highest Rental" paid to Public Transport Special Purpose Ve-

hicle (SPV) per charging station. "Rental Holiday" (rental holiday means no rent shall be charged to Energy Operators) shall be provided to Energy Operators for an initial period of Three (3) years out of total authorisation period of Ten (10) years.

- **10.8.5.** The Energy Operators (EOs) may choose to add more charging spots (with public access) in addition to the ones demarcated by city SPV's.
- **10.8.6.** Revenue from appropriate public amenities installed at charging stations like cafeteria, public toilets and outdoor media devices etc, will be collected by the Energy Operators (EOs).
- **10.8.7.** The Energy Operators (EOs) will be expected to accept payments through multiple modes (credit/debit cards, mobile wallets, UPI etc.).
- **10.8.8.** All the Charging Stations data will be linked to a mobile application which will display upto date/ real time data of the Charging Stations like location of nearest Charging Stations, number of available charging slots and number of charged batteries available at the Charging Stations of the user's choice.

# 10.9. FAVOURABLE ELECTRICITY TARIFF FOR ENERGY OPERATORS (EOS) AND BATTERY SWAPPING OPERATORS (BSOS)

- **10.9.1.** A separate EV tariff category will be created.
- **10.9.2.** Electricity tariff applicable for Battery Swapping Operators (BSOs) and Energy Operators (EOs) will be as notified in the DISCOM Tariff Schedule as being applicable for "Charging Stations for e-rickshaws/e-vehicle on single point delivery". The Government of Madhya Pradesh ('GoMP') will endeavour to maintain the existing special electricity tariff for EV charging at the same rate or lower for the entire duration of this policy.
- **10.9.3.** Time of day sale of power to Battery Electric Vehicle (BEVs) will be considered to provide cheaper power during non-peak hours.
- **10.9.4.** Energy Operators (EOs) and Battery Swapping Operators (BSOs) who have won a concession to operate will be encouraged to use low cost and renewable sources of power. In consultation with DISCOM, the Government of Madhya Pradesh ('GoMP') will look to provide:
- a) Open Access without the condition of having contract demand of 1MW and above at every charging station or swapping kiosk; so long as cumulative demand for the Energy Operators (EOs) or Battery Swapping Operators (BSOs) is more than 1MW.

- b) Power Banking Energy Operators (EOs) and Battery Swapping Operators (BSOs) who set up captive renewable energy facilities will be given power banking facilities with the DISCOM operating in Madhya Pradesh over a period of one year. This will encourage generation and use of renewable power. Terms for Power Banking will be notified in due course.
- **10.9.5.** DISCOM will issue regulations, defining tariff and related terms & conditions, for Vehicle To Grid (V2G) sale of power to meet the requirements of real time and ancillary services for DISCOM. Sale of power from battery swapping stations to the grid will also be considered as V2G sale of power.
- **10.9.6.** Third party EV charging infrastructure providers will be allowed to procure power from DISCOM at regulator determined tariff and will be allowed to provide the charging service to EVs.
- **10.9.7.** Third party EV charging service providers will be allowed to procure power through open access route from renewable energy sources irrespective of the size of the demand. DISCOM will determine the appropriate process and charges related to open access.
- **10.9.8.** Third party EV charging service providers can also setup their own renewable energy generating stations at their premises for charging EVs only.
- **10.9.9.** Cloud charging features will be encouraged in order to have all metering and transactions done digitally with payment apps, Near field communication (NFC) enabled devices, radio frequency identification (RFID) tags etc. while keeping it flexible and customer friendly.

#### 10.10. CITY & BUILDING CODES

- **10.10.1.** 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.
- **10.10.2.** Urban local bodies, Municipality rules/regulations will be modified to allow charging and battery swapping stations to be setup within its limits as and when required.

#### **10.11. QUALITY AND STANDARDS**

**10.11.1.** Standards for charging equipment will also be created in close association with the central government departments and scientific bodies.

**10.11.2.** The state will follow the charging specifications as per the guidelines issued by Department of Heavy Industries, GOI.

#### 10.12. DATABASE OF PUBLIC EV CHARGING STATIONS

**10.12.1.** Madhya Pradesh Urban Development And Housing Department (UDHD) shall create and maintain online database of all the Public Charging Stations through DISCOM. Appropriate protocols shall be notified by DISCOM for this purpose which shall be mandatorily complied by the Public Charging Stations/Battery Charging Ssations. This database shall have restricted access as finalised between Madhya Pradesh Urban Development And Housing Department (UDHD) and DISCOM.

#### 10.13. PAYMENT INFRASTRUCTURE AND INFORMATION SHARING

- **10.13.1.** Energy Operators (EOs), Battery Swapping Operators (BSOs) and Mini Swapping Station Operators (MSSO) will be expected to accept payments by multiple modes (e.g., cash, cards, mobile wallets, UPI); payments through the common mobility card payment system will also need to be offered as an option for payments.
- **10.13.2.** An open, publicly owned database will be developed by Madhya Pradesh Urban Development & Housing Department (UDHD) offering users up to date and real time information on Public Charging Infrastructure (i.e., location, number and type of swapping kiosks/chargers, queue lengths/availability and pricing). Energy Operators (EOs), Battery Swapping Operators (BSOs) and Mini Swapping Station Operators (MSSO) will have to provide data to this public database. The database can be used free of charge by in-vehicle navigations systems and charging apps and maps.

# 11. OTHER INITIATIVES BY THE GOVERNMENT OF MADHYA PRADESH

#### 11.1. INVESTMENT BY THE GOVERNMENT DEPARTMENTS

- **11.1.1.** The DISCOM will invest in setting up both slow and fast charging networks in government buildings and other public places. These charging points will be accessible to both government as well as private vehicles.
- **11.1.2.** DISCOM will setup the charging infrastructure on its own or through third party operators using appropriate PPP models. Such costs can be recovered as part of ARR.

- **11.1.3.** Inter State Bus Terminals (ISBT), bus terminals and bus stops will have charging stations.
- **11.1.4.** Municipal Corporations Public parking spaces will be mandated to have charging stations.
- **11.1.5.** Government buildings will set a roadmap to setup charging or swapping stations in all of its parking spaces.
- **11.1.6.** Charging infrastructure will be installed at least every 50 km on highways, other major roads etc.

# 11.2. INITIATIVES FACILITATING INVESTMENTS FROM PRIVATE INFRASTRUCTURE DEVELOPERS

- **11.2.1.** Land across major cities will be allocated for private developers for setting up charging or battery swapping stations in a form similar to a contemporary fuel station as per statutory clearances.
- **11.2.2.** Facilities will be provided to setup swapping stations in the form of a kiosk to service, 2 wheelers and 3 wheelers.
- **11.2.3.** Existing private buildings such as malls and other commercial buildings will be incentivised to setup charging/battery swapping stations.
- **11.2.4.** All new permits for commercial complexes, housing societies and residential townships with a built-up area 5,000 sq.mt and above will mandatorily have a charging stations.
- **11.2.5.** DISCOM shall release supply to charging/battery swapping stations within 48 hours of application.
- **11.2.6.** Municipal Corporations / Municipalities shall issue provisional permissions online immediately to setup charging/battery swapping stations. Any verification shall only be post sanction of provisional permission.

#### 12. DEMAND CREATION

#### 12.1. TARGETS OF THE GOVERNMENT OF MADHYA PRADESH

- **12.1.1.** 2019-20 shall be announced as the "Year of the Electric Mobility" in Madhya Pradesh.
- **12.1.2.** Bhopal and Indore will be the pilot city for all new Electric Mobility (EM) initiatives.
- **12.1.3.** The cities of Bhopal, Indore, Jabalpur, Gwalior and Ujjain will be declared as model EM cities with phase-wise goals to adopt EVs and charging infrastructure and new EV enabling building codes.
- **12.1.4.** Target to convert 100% of public transport bus fleet into electric buses (Battery Electric Vehicles) by 2028, with the first phase of 100% conversion of bus fleet in top 5 cities by 2026.
- **12.1.5.** All forms of Government vehicles, including vehicles under Government Corporations, Boards and Government Ambulances etc. will be converted to electric vehicles by 2026.
- **12.1.6.** Target to convert 100% of all commercial & logistics fleets to electric fleet by 2028. These fleets can belong to any government organisation, Public Transport Special Purpose Vehicle (SPVs), educational institutes, hospitals or corporates and other institutions.
- **12.1.7.** Phase out all fossil fuel based commercial fleets and logistics vehicles in all cities by 2030.
- **12.1.8.** Smart Cities in the state will also include and design projects to support for charging infrastructure stations. Identified areas will be designated as "E-Zones" with entry only to non-fossil fuel based vehicles.
- **12.1.9.** These cities will develop specific goals of charging infrastructure density within a defined timeline linked to target for deployment of EVs. These cities will create mobility blueprints and make provision in infrastructure needs to support the charging stations and EV only zones.
- **12.1.10.** 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.
- **12.1.11.** Multiple government offices and public areas will be chosen for installing public charging equipment that can be used by all.
- **12.1.12.** GoMP will support CSR initiatives in the Electric mobility ecosystem, as per the guidelines of GOI.

**12.1.13.** PPP models in public transport, using purely EVs, will be offered based on selected routes/EV Zones (eZones).

#### 12.2. PROMOTING USAGE OF APP BASED E-AUTOS AND E-CABS

- **12.2.1.** Increased use of e-cabs and e-autos will have a positive impact on air pollution. With a view to promote the use of these vehicles, the following measures will be adopted for a period three years from the date of notification of this policy:
- **12.2.2.** App-based aggregators and ride hailing service providers who provide mobility solutions will be invited to participate in the "App-based e-cab/e-auto user incentive scheme". App-based aggregators who participate will need to aggregate a fleet of e-autos and/or e-cabs and offer rides in these vehicles.

#### 12.3. COMMUNICATION

- **12.3.1.** The government notices that communication to create awareness amongst people is very crucial to further the growth of electric vehicle.
- **12.3.2.** 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.

#### 13. RECYCLING ECOSYSTEM - BATTERY AND EVS

- (i) 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 about two batteries in a 10-year life span.
- (ii) 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.
- (iii) The Madhya Pradesh Electric Vehicle (EV) Policy 2019 will encourage the re-use of EV batteries that have reached the end of their life 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.

#### 13.1. REUSE OF EV BATTERIES

- **13.1.1.** Energy Operators (EOs) and Battery Swapping Operators (BSOs) will be operate as end of life battery recycling agencies. EV owners can deposit vehicle batteries that have reached their end of life at any charging point or swapping station operated by an Energy Operators (EOs) or Battery Swapping Operators (BSOs) and in return get a remunerative price for this battery. Disposal of EV batteries in any other manner e.g., in land-fills or as scrap, will not be allowed.
- **13.1.2.** A nodal agency shall be appointed by Government of Madhya Pradesh ('GoMP') to act as an aggregator to purchase EV batteries that are at least 70% of rated capacity. These batteries will be purchased from Energy Operators (EOs) and Battery Swapping Operators (BSOs) 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 Madhya Pradesh. 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 Energy Operators (EOs)/Battery Swapping Operators (BSOs).

#### 13.2. END-OF-LIFE BATTERY AND EV RECYCLING

- **13.2.1.** EV batteries that cannot be re-used, either because of poor condition of the battery or lack of demand for reuse, will be sent to recycling facilities. At these recycling facilities, high value battery materials (e.g., Nickel and Cobalt) will be recovered and then sold to battery manufacturers for re-use.
- **13.2.2.** The Government of Madhya Pradesh ('GoMP') will invite battery recycling businesses to establish a presence in Madhya Pradesh. Appropriate protocols and investment subsidies for setting up such a business shall be notified by the Government of Madhya Pradesh ('GoMP') after consultation with stakeholders, especially battery and EV manufacturers. Battery recycling businesses will purchase end of life batteries from Energy Operators (EOs) and Battery Swapping Operators (BSOs as per mutually agreed prices.

#### 14. MANUFACTURING

Investors shall have to register their proposal with the Single Window System developed by Madhya Pradesh Urban Development & Housing Department (UDHD) and obtain a registration number to avail incentives under this policy. This registration number will be track-

able online, so that investor will be able to locate the status of his proposal at any given time.

Units for which any package of incentives has already been sanctioned under Industrial Promotion Policy 2010/2014 (IPP 2010/2014) or earlier policies or for which the Commercial Production has commenced before the notification of this policy, shall not be eligible for benefits under this policy but will be entitled for benefits under IPP 2010 or earlier policies, as the case may be.

#### 14.1. EV MANUFACTURING FIRMS CATEGORISATION

- **14.1.1. Micro Project:** is defined as a project, with capital investment over the threshold of INR 25 lakhs or creating an employment for over 15 people.
- **14.1.2. Small Project:** is defined as a project, with capital investment over the threshold of INR 5 Crores or creating an employment for over 25 people.
- **14.1.3. Medium Project:** is defined as a project, with capital investment over the threshold of INR 10 Crores or creating an employment for over 50 people.
- **14.1.4. Large Project:** is defined as a project, with capital investment over the threshold of a Medium industry and more than INR 10 Crores or creating an employment for over 100 people.
- **14.1.5. Mega Project:** is defined as a project with capital investment more than INR 100 Crores or creating an employment for over 150 people.
- **14.1.6. Mega Integrated Automobile Project:** The Mega Integrated Automobile Project will mean automobile projects that will have EV powertrain assembly, press shop, body shop, EV battery assembly or Fuel cell assembly, assembly line, paint shop etc. either on its own or in consortium or joint venture mode in the same location with investments over and above 100 crore which will bring ancillary units of a minimum of INR 50 crore investment within 3 years.
- **14.1.7. Ultra-Mega Battery Plant (UMBP):** A lithium Ion battery (or other advanced battery) plant setup for manufacturing batteries with an annual output of 1 GWh or above with a minimum investment of INR 100 Cr.

#### 14.2. LAND CONCESSIONS

Availability of land is a primary requisite for sustainable industrial development. The State Government has substantial availability of both government and private land parcels for

industrial development. In order to further enhance the rate of EV industrialisation, the State Government shall consider following measures pertaining to land availability:

#### 14.2.1. UNDEVELOPED GOVERNMENT/PRIVATE LAND CONCESSIONS

- **14.2.1.1.** GoMP may consider concession on the prescribed premium rate, if the investor intends to set up a project on raw (undeveloped) government land.
- **14.2.1.2.** 75% assistance subject to a maximum of INR 2 crore each shall be provided to medium, large and mega scale industrial units for developing power, water & road infrastructure, if the investor acquires private land or gets undeveloped government land for setting up of project.
- **14.2.1.3.** Term of lease: Land would be allotted on a lease up to 99 years with provision for renewal.
- **14.2.1.4.** In case of developed land, Lease rent will be charged at the rate of 1% per year of the actual lease premium payable by the Unit.
- 14.2.1.5. In case of raw (undeveloped) government land, no Lease rent will be charged.
- **14.2.1.6.** Other than the industrial use land, the agricultural use land shall also be used for establishing the EV and its components manufacturing units.

#### 14.2.2. DEVELOPED GOVERNMENT LAND CONCESSIONS

- **14.2.2.1.** Developed industrial land shall be made available at a competitive price to the investors.
- **14.2.2.2.** Term of lease: Land would be allotted on a lease up to 99 years with provision for renewal.
- **14.2.2.3.** GoMP may consider concession on the prescribed premium rate, if the investor intends to set up a project on developed government land.
- **14.2.2.4.** If the land has been developed by Government of Madhya Pradesh or its Agencies/ Authorities then the one time development and maintenance charges would be levied 50% as per the actual expenditure.

# 14.2.3. ENCOURAGING PRIVATE PARTNERSHIP FOR EV INFRASTRUCTURE DE-VELOPMENT

- **14.2.3.1.** Initiatives of the investors in developing private industrial areas/ estates either in PPP mode/individual entrepreneurs/ companies/cooperatives shall be encouraged with a supportive package.
- **14.2.3.2.** To encourage the private sector in the development of EV infrastructure, special assistance will be provided to the projects relating to establishing EV and its components manufacturing industries in the state. An assistance of 15% of the expenditure on establishment/ development of EV industrial park subject to a maximum limit of INR. 5 crores will be provided to promote, subjected to the condition that such developed EV Industrial park should have a minimum area of 10 acres, and minimum of 5 EV and it's components manufacturing units. The agency/investor developing such EV industrial park would be reimbursed the assistance within 1 year from the substantial completion of the project on fulfilling the required conditions indicated at the time of sanction.

#### 14.2.4. RELAXATION IN FLOOR AREA RATIO (FAR)

**14.2.4.1.** EV manufacturing units would be permitted to avail an additional FAR of up to 0.5 on the maximum permissible FAR as per the Development Plan of that area.

#### 14.3. DEVELOPMENT OF ELECTRIC MOBILITY INDUSTRIAL PARKS

- **14.3.1.** The GoMP will allocate 100 acres of land for developing Electric Vehicle Parks with plug and play internal infrastructure, common facilities and necessary external infrastructure.
- **14.3.2.** The parks will attract manufacturers across the EV ecosystem.
- **14.3.3.** An incubation centre for handholding startups will also be planned in the EV Park.
- **14.3.4.** Developers of Auto Clusters (AC) and Automotive Suppliers Manufacturing Centres (ASMC) specific to EVs shall be provided financial assistance of 50% of fixed capital investments in building and common infrastructure, up to a maximum of INR 20 crore.

# 14.4. CAPITAL SUBSIDY OF FIXED CAPITAL INVESTMENT (FCI) IN THE FOLLOWING AMOUNTS

- **14.4.1.** 25% of FCI upto a maximum of INR 15 lakhs for Micro industries.
- **14.4.2.** 20% of FCI up to a maximum of INR 40 lakhs for Small and 50 lakhs for Medium Industries.

- **14.4.3.** 10% of FCI up to a maximum of INR 10 Crores for first two units, under Large industries, in each segment of EV (2 wheelers, 3 wheelers, 4 wheelers, buses), battery and charging equipment, hydrogen storage & fuelling equipment manufacturing.
- **14.4.4.** 10% of FCI up to a maximum of INR 20 Crores for first two units, under Mega category, in each segment of EV (2 wheelers, 3 wheelers, 4 wheelers, buses), battery and charging equipment, hydrogen storage & fuelling equipment manufacturing.
- **14.4.5.** Additionally, special incentives will be given according to their need for Mega, Mega Integrated automobile projects and Ultra-Mega battery manufacturing plants on a case to case basis.
- **14.4.6.** For specific clean production measures, as certified by Madhya Pradesh Pollution Control Board (MPPCB), 35% subsidy on cost of plant & machinery for MSMEs upto a maximum of 35 lakhs and 10% subsidy on cost of plant & machinery for Large projects upto a maximum of 35 lakhs.
- **14.4.7.** 25% subsidy, for MSMEs and Large projects, for sustainable green measures only (excluding cost of land, land development, preliminary and pre-operative expenses and consultancy fees) with a ceiling of INR 2 crore. This subsidy shall only be available on development of sustainable green measures only.

#### 14.5. INFRASTRUCTURAL SUPPORT TO MANUFACTURING FIRMS

- **14.5.1. 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 OEM.
- **14.5.2. Water:** The GoMP will provide water supply and also facilitate/support setup of water treatment plants in/around major auto hubs in order to meet this requirement wherever necessary.
- **14.5.3. Rail and Road Connectivity:** The GoMP shall strive to construct elevated expressways to decongest roads to the industrial areas and will also look to ensuring better road access to ports.
- **14.5.4. Export Oriented Units:** For export focused units, the incentives as per the Export policy of the state shall be applicable, over and above what is made available under this policy.

#### 14.6. STAMP DUTY

**14.6.1.** 100% of stamp duty and registration fees paid by the industry on purchase or lease of land/shed/buildings, mortgages and hypothecations meant for industrial use related to manufacturing of EV and its components will be reimbursed. EV manufacturing units who take land on lease in industrial areas established by the state government will be reimbursed the stamp duty and registration charges charged on lease land.

#### **14.7. POWER**

- **14.7.1.** Madhya Pradesh is one of the state selected under the centrally-sponsored "Power For All" scheme. Madhya Pradesh is also among the fastest growing States in the country. This joint initiative of Government of India and Government of Madhya Pradesh aims to further enhance the satisfaction levels of the consumers and improve the quality of life of people through 24x7 power supply. This would lead to rapid economic development of the State in primary, secondary & tertiary sectors resulting in inclusive development of the State.
- **14.7.2.** GoMP is committed to supply uninterrupted 24x7 quality power to all qualified EV related industries established in the state. GoMP will provide dedicated feeders to all units involved in manufacturing components for EV as required.
- **14.7.3.** A dedicated line along with special discount for nighttime/non-peak time usage will be offered for testing of BEV(Battery Electric Vehicle) batteries based on requirements.

#### 14.8. TAX INCENTIVES

**14.8.1.** 100% net SGST accrued to the state will be reimbursed for a period of 5 years for micro & small, medium and large industries. This reimbursement will be limited to 100% of capex or for the period stated, whichever is earlier.

#### 14.9. SKILL DEVELOPMENT INCENTIVES

**14.9.1.** 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 in the domain of EV and charger manufacturing. Applicable only for a period of 1 year.

#### 14.10. MARKETING INCENTIVES

**14.10.1.** 50% of cost of participation with a maximum amount of 5 lakhs to be reimbursed to a maximum of 10 MSME units per year for participating in international trade fairs.

# 15. RESEARCH & INNOVATION ORIENTED INDUSTRIAL DE-VELOPMENT

Madhya Pradesh wants to be the hub not only for manufacturing but also for R&D focusing on next generation of battery management systems, drivetrain components, battery chemistries, fuel cell systems and intelligent transportation systems.

#### **15.1. R&D GRANTS**

- **15.1.1.** A research grant of INR 100 Cr will fund the most innovative solutions in the mobility space. Public or private research labs, incubators, startups that work on products and solutions in electric mobility space will also be provided land and office space to quickly setup their facility and Research scholars who move to the state to work for research in electric mobility and its components will be offered one time grant of INR 10,000 for a maximum period of six months.
- **15.1.2.** GoMP proposes to provide financial assistance towards expenses incurred for patent registration and for quality certifications. The financial assistance will be limited to 75% of the cost, subject to a maximum of 25 lakhs for obtaining patent registration and 50% of all charges, subject to a maximum of 5 Lakhs paid for obtaining quality certification. This would be applicable only to MSME's.

# 15.2. CENTRE FOR ADVANCED ELECTRIC AUTOMOTIVE RESEARCH (CAEAR)

- **15.2.1.** Government of Madhya Pradesh(GoMP) will establish centre for advance electric and automatic research in Madhya Pradesh
- **15.2.2** The centre will collaborate with research organisations like RRCAT(Raja Ramanna Centre for Advanced Technology) Indore, IISER (Indian Institutes of Science Education and Research), ISRO (Indian Space Research Organisation), Indian Institute of Technology (IIT) and other domestic and foreign universities to foster centres of advance research

in the domains of chemical, mechanical, electrical and electronics engineering. New research institutes will be established

- **15.2.3.** Focus will be on next generation battery chemistries, fuel cell systems, power-trains, automotive electronics and electrical road systems (ERS).
- **15.2.4.** The centre will bring together universities in state and Indian and foreign researchers along with technology innovators for development of Electric Vehicle to Everything (EV2X) communication platform. EV2X platforms include technologies such as Vehicle to Vehicle (V2V), Vehicle to Infrastructure (V2I), Vehicle to Grid (V2G), Vehicle to Device (V2D) and Vehicle to Pedestrians (V2P) etc.
- **15.2.5** Centre For Advanced Electric Automotive Research (CAEAR) will provide training to experts engaged and working in the domain of EV manufacturing and its components.
- **15.2.6.** Commercialisation of technology will be done via JV(joint venture) with private or public corporations.

#### 15.3. TESTING AND QUALITY CONTROL LABS

- **15.3.1.** In coordination with National automotive testing and R&D Infrastructure (NATRiP), GoMP shall strive to set-up quality testing centre for EVs.
- **15.3.2.** These facilities would be accessible to all manufacturers in the sector.

#### 15.4. SKILL DEVELOPMENT INITIATIVES

- **15.4.1.** State will identify required quantum of skilled manpower, map EV specific skill sets and provide courses at different levels of education matriculation and above. Polytechnics, Local Industrial Training Institutes (ITIs), employment exchange centres, technical institutes will be prepared to introduce EV courses & train technicians and engineers.
- **15.4.2.** Additional subsidy on training and stipend will be provided for every company with a cap on employees per type of firm.

# 16. CREATING JOBS - VOCATIONAL TRAINING AND R&D

A large number of new jobs can be created due to increasing EV adoption – e.g., e- auto and e-cab drivers, charging station operators and EV service mechanics. Madhya Pradesh has the opportunity to become a hub for the provision of training related to jobs in the EV eco-system. Following policy measures will be taken to train personnel for the EV eco-system:

- **16.1.** In partnership with auto Original Equipment Manufacturers (OEMs), Energy Operators (EOs) and Battery Swapping Operators (BSOs), vocational courses will be designed to train EV mechanics and charging station staff. These courses will be delivered through the Skill Centres (SCs) set up through PPP (public private partnerships) with OEMs by the Government of Madhya Pradesh ('GoMP').
- **16.2.** Private Sector Partners i.e., auto OEMs, EOs and BSOs will be allowed to conduct their own captive staff training at the skill centres (SCs).
- **16.3.** The Government of Madhya Pradesh ('GoMP') will conduct regular recruitment 'fairs' at the SCs for private sector recruiters who would like to hire trained personnel.
- **16.4.** SCs will also offer short re-training courses for ICE mechanics who would like to be trained in repairing and servicing EVs. These part time courses will be offered through the year at concessional fees.
- **16.5.** High levels of EV penetration and availability of charging infrastructure will offer an opportunity to design and test new models of electric mobility and charging equipment. A Centre of Excellence focused on design and use of EVs will be funded by the Government of Madhya Pradesh ('GoMP') and set up at one of the Central or State universities within Madhya Pradesh. This Centre will focus on improving usage and efficiency of EVs and charging equipment.

# 17. POLICY IMPLEMENTATION

**17.1.** Madhya Pradesh Urban Development & Housing Department (UDHD), Government of Madhya Pradesh ('GoMP'), will be the nodal department for the implementation of Madhya Pradesh Electric Vehicle (EV) Policy 2019. Following measures shall be taken to ensure a smooth implementation of various proposals in Madhya Pradesh Electric Vehicle (EV) Policy 2019.

- **17.2.** A State Electric Mobility Board (Madhya Pradesh Electric Mobility Board "MPEMB") shall be constituted as the apex body for effective implementation of the Madhya Pradesh Electric Vehicle (EV) Policy 2019. It will be chaired by the Hon'ble Minister of Urban Development, Government of Madhya Pradesh ('GoMP'), and comprise of the following members:
  - (i) Principal Secretary (Urban)
  - (ii) Commissioner (Transport) Member Secretary
  - (iii) Principal Secretary (Power)
  - (iv) Principal Secretary (Finance)
  - (v) Chief Electric Mobility Officer (CEMO), Government of Madhya Pradesh ('GoMP')
  - (vi) Upto 5 experts from Industry, Academia and Civil society to be nominated by Hon'ble Minister of Urban Development, GoMP
- **17.3.** The Madhya Pradesh Electric Mobility Board (MPEMB) will be fully empowered to sanction the expenditure of funds collected under the State Electric Mobility Fund (SEMF) for the various incentive schemes and projects emanating out of the Madhya Pradesh Electric Vehicle (EV) Policy 2019. The Board will meet at least once every three months and will perform the following roles:
- (i) Review the implementation and effectiveness of the policy and undertake necessary and sufficient corrective measures / changes / amendments if required to achieve the goals desired under the policy
- (ii) Put in place the institutional mechanisms required to implement this policy (e.g., notifying list of approved vehicles, identifying public charging and battery swapping locations etc.)
- (iii) Bring about inter-departmental coordination in respect of matters related to this Policy.
- (iv) Review the definitions of EV, EV components, Battery and Charging Station or any other related definitions and approve the amendments as may be appropriate.
- (v) Review the best practices
- (vi) Recommend the formation of sub-committees or special task forces on priority areas from time to time.
- **17.4.** A dedicated Electric Mobility Cell (EMC) shall be established within the Urban Development Department for effective day-to-day implementation of the Madhya Pradesh Elec-

tric Vehicle (EV) Policy 2019. It will be led by a Chief Electric Mobility Officer (CEMO) hired on a contractual basis with relevant technical expertise and supported by adequate and competent staff to exclusively deal with all matters related to electric mobility in the Government of Madhya Pradesh ('GoMP').

17.5. The Government of Madhya Pradesh ('GoMP') is committed to providing stability in the EV policy framework in the state of Madhya Pradesh. The Madhya Pradesh Electric Mobility Board (MPEMB) will be fully empowered to make any changes in the level of incentives or subsidies or to take measures for effective targeting of such subsidies such that the primary objective of this policy i.e. to drive rapid adoption of Battery Electric Vehicles (BEVs) in a manner where they contribute to 25% of all new vehicle registrations by 2023, is achieved.

# 18. FUNDING

The Government of Madhya Pradesh ('GoMP') will seek to fund a high proportion of the incentives proposed in this policy using the 'fee-bate' concept i.e. by adopting measures by which inefficient or polluting vehicles incur a surcharge (fee-) while efficient ones receive a rebate (-bate). As per NITI Aayog and Rocky Mountain Institute (RMI), Austria, Denmark, France, the Netherlands, Norway, Ontario (Canada), and Singapore have introduced variations of fee-bates. Funding for the various incentives under Madhya Pradesh Electric Vehicle (EV) Policy 2019 will be obtained from the following sources and aggregated under an umbrella, non-lapsable 'State Electric Vehicle Fund'.

# 18.1. DEDICATED URBAN TRANSPORT FUND (DUTF)

**18.1.1.** The funding for this policy will be provided by the Government of Madhya Pradesh ('GoMP') and the Dedicated Urban Transport Fund (DUTF). Also, different kinds of surcharge/ tax can be levied to fund the electric vehicle subsidies. All the taxes suggested below will be submitted to DUFT where from all the expenses for implementation of this policy can be made.

#### 18.2. ASSIGNMENT OF OUTDOOR ADVERTISEMENT LICENSE FEES

**18.2.1.** As per the mandatory provision of Madhya Pradesh Outdoor Advertisement Media Rules 2017, the advertisement license fee collected by the Municipal Authority (Municipal Corporations) under the provision of Madhya Pradesh Outdoor Advertisement Media Rules

2017, shall be assigned for operational Urban Public Transport System. This assignment shall not be less than 25% of the total revenue received under these Rules.

**18.2.2.** In Municipal Areas where Urban Public Transport System is still to be implemented then these provisions shall be applicable from the date of Urban Public Transport System coming into operation. The Madhya Pradesh Urban Development & Housing Department (UDHD) shall issue the circular to all the Municipal Corporations in the state to mandatorily use this for EVs.

#### 18.3. ELECTRIC MOBILITY BONDS / MUNICIPAL BONDS

**18.3.1.** In March 2015, the Securities & Exchange Board of India (SEBI) passed regulations to facilitate issuance of municipal debt and listing of debt securities by municipalities in India. This will enable investment in public infrastructure in the Cities and improve service delivery. Municipalities can raise money in the form of General Obligation Bonds (GOB) that are traded across stock exchanges and use the money to invest in Electric Vehicles and charging infrastructure. General obligation bonds are issued in the belief that a municipality will be able to repay its debt obligation through taxation or revenue from projects.

#### **18.4. POLLUTION CESS**

**18.4.1.** All petrol and diesel-powered vehicle users will pay a 'Pollution Cess' on the sale of fuel beginning with April 2020. A higher cess will be levied on Diesel, being a more polluting fuel and a known carcinogen, and the existing Diesel Cess will be subsumed under this. The Pollution Cess will be reviewed and revised once every year to fund the increased subsidy bill due to higher adoption of Electric Vehicles. Fees collected will be deposited on a daily basis exclusively to the State EV Fund.

#### 18.5. PARKING SURCHARGE

**18.5.1.** An Air Quality Parking Surcharge will be levied on Base Parking Fees -BPF (as defined under the draft Madhya Pradesh Maintenance and Management of Parking Rules, 2017) and applicable to all ICE vehicles only. The level of the surcharge will be notified by the Madhya Pradesh Urban Development and Housing Department (UDHD), Government of Madhya Pradesh ('GoMP') and will be determined based on traffic density in an area. Funds raised through the Air Quality Surcharge will be allocated to the State EV Fund and the surcharge will be reviewed and revised once every year.

#### **18.6. ROAD TAX**

**18.6.1.** Additional road taxes will be levied on diesel and petrol vehicles, especially luxury cars. Additional taxes will be based on a sliding scale with high price diesel vehicles paying the highest additional road tax and low price two wheelers incurring a small addition. Revised Road Tax rates in line with this principle will be notified by the Department of Transport, Government of Madhya Pradesh ('GoMP') and the additional road tax thus collected will be allocated to the State EV Fund.

#### 18.7. CONGESTION FEE

**18.7.1.** A congestion fee up to 2.5% on fare will be levied on all trips originating or terminating within the city of Madhya Pradesh and taken through cab aggregator and ride hailing services. This tax will be waived for rides taken in an e-two wheeler, e-auto or e-cab. Tax due will have to deposited with the Government of Madhya Pradesh ('GoMP') every month and will be allocated to the State EV Fund.

#### **18.8. OTHER SOURCES**

**18.8.1.** Any gaps left after funding from the State EV Fund has been entirely utilised will be filled either through allocations from the Environment Compensation Charge (ECC) already being collected in Madhya Pradesh, after obtaining necessary approvals from the Hon'ble Supreme Court, or through budgetary allocations from the Government of Madhya Pradesh ('GoMP'). It is expected that budgetary allocations will not be the major source of funding for incentives detailed in this policy. The State Electric Mobility Fund (SEMF), with contributions from the Pollution Cess, the Air Quality Parking Surcharge, additional Road Tax, Congestion Fee and ECC should be the primary contributor towards funding the proposals in this policy.

#### 19. OPERATIONAL GUIDELINES

Operating Guidelines for this policy will be issued separately.