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COMMERCE & TRANSPORT (TRANSPORT) DEPARTMENT
RESOLUTION

The 1st September, 2021

Subject: Odisha Electric Vehicle Policy, 2021

Whereas, climate change has become a global concern over the last few decades and the road transport sector by pollution plays a major role for rapid increase in the global temperature and therefore, there is need for reduction in the use of fossil fuel to reduce pollution due to emission.

Whereas, the NITI AAYOG have urged upon all States/ Union Territories to adopt a well defined Electric Vehicle Policy for the State.

And, Whereas, Government of Odisha have framed a draft "Odisha Electric Vehicle Policy, 2021" vide Notification No.1360 dated the 11th February, 2021 which was notified in the Extraordinary Gazette No. 268 dated the 12th February, 2021 inviting suggestion for any inclusion or omission in the final Policy.

And, Now, therefore after considering the suggestions received within the stipulated time, Government have been pleased announce the following Policy, namely, Odisha Electric Vehicle Policy, 2021 to build Odisha a model State in promotion of EVs through adoption, adaptation, research & development apart from facilitating growth in employment.

ODISHA ELECTRIC VEHICLE POLICY, 2021

DEFINITION

- (i) **Charging point** means a place with equipment for putting electricity into batteries of electric vehicles.
- (ii) **Charging Infrastructure** is one that is installed in a private area but can be accessed by multiple users.
- (iii) **Congestion fees** refer to money that a motorist has to pay in order to drive vehicle other than e-vehicle in a city.
- (iv) **E- vehicle** means a vehicle that uses one or more electric motors or traction motors for propulsion.
- (v) **EV user** means any individual or organization using electric vehicle.
- (vi) **Electric tariff** means the amount of money to be paid to the supplier for supply of electricity/electrical energy for charging points/ stations.
- (vii) **Manufacturer of e-vehicles** means any company / firm that manufactures electric vehicles or components of electric vehicles, batteries etc.
- (viii) **Net SGST** means SGST paid after adjustment of total input tax credit against total output tax liability.

1. BACKGROUND :

Climate change has become a global concern over last few decades and rapid global temperature increase has created the need for reduction in the use of fossil fuels to reduce pollution caused by emissions. Due to rapid urbanization, the number of automobiles has gone up manifold leading to increased pollution. Electric Vehicle can improve the above scenario by reducing local concentrations of pollutants in the world. Many countries have included EVs as an element of their transportation policy. Their responses vary according to their stage of economic development, energy resources, technological capabilities and above all political prioritization of their response to the climate change. India is also operating in the same global context as other countries who have adopted an EV policy. But India has a unique mobility pattern and the growth rate of vehicles as well as the ownership growth is rapid in India which is the key difference between India and developed countries. Further, a large variety of motorized transport on roads and its auto segments are quite different from most of the developed countries. Government of India have therefore adopted a National Electric Mobility Plan and have committed to cutting its emission intensity by 35% below 2005 levels by 2030 and requested all the States and Union Territories to frame their own EV policy.

Based on the last 4 years sales data, the different categories of vehicles in the State registered as under:

Sl. No.	Vehicle Type	No. of vehicles registered	% of Vehicles
1	BUS	5179	0.19 %
2	GOODS VEHICLE	75,085	2.86 %
3	LMV	1,84,684	7 %
4	THREE WHEELER	80, 480	3.06 %
5	TWO WHEELER	21,45 239	82 %
6	TRACTOR	59, 786	2.28 %
7	TRAILER	46, 736	1.78 %
8	OTHERS	24,909	0.94 %
TOTAL		26,22,089	100 %

From the above table, it is found that **two wheelers constitute nearly 82%** of the total vehicle population of the State. Among the rest, Light Motor Vehicles constitute 7%, 3 wheelers 3.06%, Goods vehicle 2.86%, Tractor 2.28%, Trailer 1.78%, Others 0.94% and lastly Buses only 0.19%.

Basing on the techno-economic development in the EV sector, there is need to formulate a policy for promotion of Electric vehicles in Odisha to keep pace with other states of India. Government of Odisha envisages to build Odisha a model State in promotion of EVs through adoption, adaptation, research & development apart from facilitating growth in employment.

2. OBJECTIVE:

The primary aim of the Odisha Electric Vehicle policy, 2020 is to accelerate the pace of adoption of electric vehicles in the vehicle segments especially in the category of two wheelers, three wheelers and LMVs .The policy shall focus to drive rapid adoption of Battery Electric Vehicles to contribute a substantial percentage of all new vehicles in the years to come and bring about improvement in the air quality in all major cities and across Odisha. The objectives of the policy are, as under:

1. Promote **use** of Electric Vehicles across vehicle segments among public in the State by facilitating appropriate ecosystem. The aim is to achieve adoption of 20% Battery Electric Vehicles in all vehicle registrations by 2025.
2. Promote **manufacture** of Electric Vehicles & its components including Battery in the State.

3. Promote **Innovation**, prototyping, venture formation and facilitate **Research & Development** in the areas relating to Electric Vehicles & Battery.
4. Put in measures to support the creation of jobs in driving, selling, financing, servicing, manufacturing and charging of Electric Vehicles.

3. STRATEGY:

- 3.1. **Validity:** The Odisha Electric Vehicle Policy, 2021 shall remain valid for a period of four years from the date of notification of this policy.
- 3.2. The fiscal incentives being offered under the policy would be in addition to the demand incentives available in the FAME India Phase-II Scheme of Government of India.
- 3.3. The policy is proposed to be implemented through following verticals:-
 - (a) Institutional Mechanism for administration of policy through a State Level Task Force and a Steering Committee apart from establishing an EV Cell and developing a public outreach program focused on creating awareness about benefits of EVs and key element of the policy.
 - (b) Financial Incentives: - Purchase incentives, Scrapping incentives, Interest subvention in loans.
 - (c) Waiver of Road tax & Registration fees
 - (d) Establishment of a wide network of Charging Stations and swappable battery stations.
 - (e) Setting of Skill Centers with provision for training related to jobs in EV eco-system.
 - (f) Setting up of Recycling ecosystem for Batteries
 - (g) All the incentives available for manufacturing industries under IPR, 2015; MSME Policy, 2016 and Odisha Startup Policy, 2016 shall be made available to EV manufacturers.
 - (h) Creation of an Umbrella non-lapsable “**State EV Fund**” to be funded through Additional taxes, cess, fees etc. on polluting vehicles.

3.4. INSTITUTIONAL MECHANISM

3.4.1. STATE LEVEL TASK- FORCE

A State Level Task Force has been proposed to be formed as follows:

1. Chief Secretary.....Chairman
2. A.P.C.....Vice-Chairman

3. Development Commissioner-*cum*-Additional Chief Secretary,
Planning & Convergence Dept.....Member
4. Principal Secretary, Commerce & Transport Dept.....Member-Convener
5. Principal Secretary, Industries Department.....Member
6. Principal Secretary, Finance Department.....Member
7. Principal Secretary, Housing & Urban DevelopmentMember
8. Commissioner-*cum*-Secretary,
Skill Development & Technical Education.....Member
9. Principal Secretary, Energy DepartmentMember
10. A.C.S/Principal Secretary, F&E and Climate Change DepartmentMember

3.4.2. FUNCTIONS OF STATE LEVEL TASK FORCE

- i. Monitor and ensure timely release of relevant Orders/Government Resolutions/Government Notifications and amendments required.
- ii. Approve the framework/modalities of implementation proposed by the Committee in a time-bound manner.
- iii. Bring about inter-departmental coordination in respect of matters related to this Policy.
- iv. Review the best practices across India and take steps to try them out in Odisha
- v. Review the work of the Steering Committee in effective implementation of the policy every six months and take corrective measures or make changes/amendments, if required.

3.4.3. STEERING COMMITTEE

For implementation of the decisions of the State Level Task Force to streamline the EV adoption in the State, a Steering Committee is proposed to be formed as under:

1. Principal Secretary, Commerce & Transport Department.....Chairman
2. CMD, OSRTC.....Member
3. CMD, IDCO.....Member
4. CEO, CESU.....Member
5. EIC, ElectricityMember
6. Member Secretary, State Pollution Control BoardMember
7. FA-*cum*-Additional Secretary, C & T Department.....Member
8. Additional Secretary (T), C & T Department.....Member
9. Transport Commissioner, STAMember-Convener