

**NOTIFICATION**

No. 20/01/2022-4IB1

The 3<sup>rd</sup> November, 2022

In pursuance to the provision under Clause 5(a) of the Haryana Electric Vehicle Policy-2022 notified in Gazette *vide* No. 20/01/2022-4IB-I dated 08.07.2022, the Governor of Haryana is pleased to notify the “Capital Subsidy Scheme” for manufacturing Electric Vehicles (BEV/FCEV), major components of EVs, batteries for EVs, manufacturer of charging infrastructure with the provisions given hereunder:

**1. Objectives of the Scheme**

Objective of the scheme is to create an end-to-end ecosystem for e-Mobility in the state and harness Haryana’s inherent strength in the automotive manufacturing sector for supporting Electric Vehicle manufacturing and adoption within the state. The Capital subsidy scheme for manufacturing Electric Vehicles (BEV/FCEV), major components of EVs, batteries for EVs, manufacturer of charging infrastructure shall assist enterprises in putting forth their endeavors toward manufacturing of EVs, components and charging infrastructure components.

**2. Quantum of Assistance**

Capital subsidies shall be provided to industries manufacturing Electric Vehicles (BEV/FCEV), major components of EVs, batteries for EVs, manufacturer of charging infrastructure:

- i. **Micro Industry:** First 20 units in each segment of electric vehicle (2W, 3W, 4W, Buses/Heavy Vehicles) battery and charging equipment involved in manufacturing of electric vehicles, component, battery and charging equipment shall be eligible to receive a one-time subsidy of 25% of FCI upto INR 15 lakh.
- ii. **Small Industry:** First 10 small units in each segment of electric vehicle (2W, 3W, 4W, Buses/Heavy Vehicles) battery and charging equipment involved in manufacturing of electric vehicles, battery and charging equipment shall be eligible to receive a one-time subsidy of 20% of FCI upto INR 40 lakh.
- iii. **Medium Industry:** First 5 medium units in each segment of electric vehicle (2W, 3W, 4W, Buses/Heavy Vehicles) battery and charging equipment involved in manufacturing of electric vehicles, battery and charging equipment shall be eligible to receive a one-time subsidy of 20% of FCI upto INR 50 lakh.
- iv. **Large Industry:** First 2 large units in each segment of electric vehicle (2W, 3W, 4W, Buses/Heavy Vehicles) battery and charging equipment involved in manufacturing of electric vehicles, battery and charging equipment shall be eligible to receive a one-time subsidy of 10% of FCI upto INR 10 crore.
- v. **Mega / Ultra Mega Industry:** First 3 Mega or Ultra Mega units across state involved in manufacturing of electric vehicles, battery and charging equipment shall be eligible to receive a one-time subsidy of 20% of FCI upto INR 20 crore.

**Government of Haryana**  
**Industries and Commerce Department**

---

Mega or Ultra mega units setting up in the State will be eligible for special package of incentives (over and above the incentives offered under this policy) as per HEEP 2020 guidelines. The special package of incentives for Mega or ultra-mega industries shall be decided by Haryana Enterprises Promotion Board (HEPB) over and above standard package of incentives on the basis of an internal econometric Cost Benefit Analysis model defined by HEPB and modified from time to time.

**Additional Capital Subsidy to promote Circular Economy:** In order to promote circular economy and responsible disposal of batteries, first 5 units setting up their manufacturing facility in the state across Medium, Large or Mega category for battery disposal/recycling/ material recovery shall be eligible for capital subsidy @ 15% of FCI or INR 1.00 crore, whichever is lower.

### **3. Definitions**

- i. **Electric Vehicle:** Electric Vehicle (EV) refers to automobiles powered by a battery and an electric motor, including battery electric vehicles (BEV) and Fuel Cell Electric Vehicle (FCEV).
- ii. **Battery Electric Vehicle (BEV):** A vehicle which is powered exclusively by an electric motor; whose traction energy is supplied exclusively by traction battery installed in the vehicle; and has an Electric Regenerative Braking System.
- iii. **Fuel Cell Electric Vehicle:** Fuel Cell Electric Vehicle (FCEV) use a propulsion system like that of electric vehicles, where energy stored as hydrogen is converted to electricity by the fuel cell.
- iv. **EV Components:** Components of EV will include Motor Controller, Electric Engine (motor) for EV, Regenerative Braking System, Drive System for EV/FCEV/SHEV, Batteries and Cells (Li-ion, hydrogen or other hi-tech cells) that can be used in EV/FCEV, Battery Management System (BMS), Electric Power Control Unit (EPCU), Battery Heating System, On-board Charger (OBC), Electric Traction Motors and controllers, EV Power Train Components, Components related to transmission mechanism, Traction battery pack, Low Voltage DC-DC Converter(LDC), Power inverter, Vehicle control unit (VCU), EV Charge Port, Fuel Cell Control Unit, Anode Recirculation Blower for FCEV, Hydrogen gas injector for Hydrogen Fuel cells, Humidifier/stack Bypass Valve, Stack-isolation and Control Valve for Hydrogen fuel cells etc.
- v. **Charging/Battery equipment:** Equipment that is exclusively used to charge the batteries of Battery Electric Vehicle (BEV)/Plug-in hybrid Electric Vehicle (PHEV)/ Strong Hybrid Electric Vehicle (SHEV).
- vi. **Fixed Capital Investment (FCI):** Fixed Capital Investment is the cost of Land, Building and new Machinery/ new Equipment used in the unit.
- vii. **Ultra-Mega Project:** Project having minimum Fixed Capital Investment of INR 6000 crore in A Blocks, INR 4,500 crore in B Blocks, INR 3,000 crore in C Blocks and INR 1,500 crore in D Blocks.

**Government of Haryana**  
**Industries and Commerce Department**

---

- viii. **Mega Project:** Project having minimum Fixed Capital Investment (FCI) of INR 200 crore in Govt. approved Industrial Estates/IMTs in Block A and all are as under B Blocks, FCI of over INR 100 crore in C Blocks and FCI of over INR 75 crore in D Blocks. [Mega and Ultra Mega units setting up in the State shall also be eligible for a special package of incentives as per HEEP 2020 and future Haryana's Flagship Industrial Policy (if and when released)]
- ix. **Large Enterprise:** Investment in Plant and Machinery greater than INR 50 crore and turnover greater than INR 250 crore (over and above the of limit of Medium units as defined under the MSMED Act, 2020 or amended by Gol from time to time).
- x. **Medium Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 50 crore and turnover does not exceed INR 250 crore as defined under the MSMED Act, 2020 or amended by Gol from time to time.
- xi. **Small Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore as defined under the MSMED Act, 2020 or amended by Gol from time to time.
- xii. **Micro Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 1 crore and turnover does not exceed INR 5 crore as defined under the MSMED Act, 2020 or amended by Gol from time to time.

**4. Eligibility**

- i. New Industrial units located anywhere in the state in B, C and D category blocks or units located in Industrial Model Township or Industrial Estates in Block A involved in production of EV, EV components, EV batteries shall be eligible under the scheme. EV here means pure electric vehicle or Fuel cell electric Vehicle.
- ii. The eligible units must also comply with the following conditions:
  - a. The unit should have filed Udyam Registration Certificate (URC) and Haryana Udhyaam Memorandum (HUM) on the portal.
  - b. The unit should have obtained NOC/CLU from Competent Authority if applicable.
- iii. Existing units undertaking expansion / diversification / complete conversion anywhere in B, C, D category blocks and / or in Govt. approved Industrial Estates / IMTs in Block A with an additional investment of at least 50% of FCI (of the already established unit) in EV sector shall be able to apply for Capital Subsidy
- iv. Large and Mega/Ultra-Mega units shall compulsorily establish a battery disposal/ recycling / material recovery facility at their proposed plant.
- v. Manufacturers of Electric (EV, BEV, FCEV) vehicles, charging infrastructure and EV/Hydrogen/Charging infrastructure component manufacturers shall be eligible for this incentive.

Note: Units availing incentive under this scheme will not be eligible to avail similar incentive under similar head as given in any other Haryana Government policy. The maximum limit of the sum of all fiscal incentives shall not exceed 100% of Fixed Capital Investment (FCI) for manufacturers.

**Government of Haryana**  
**Industries and Commerce Department**

---

Units availing Net SGST reimbursement as per Clause 5.c. of the Haryana EV Policy shall not be eligible for incentives under this scheme.

**5. Commencement and Applicability**

The scheme shall commence with effect from 10.07.2022 and shall remain in operation till a period of 5 years or till the time Government decides to discontinue this scheme, whichever is earlier.

**6. Procedure to apply for financial assistance under the scheme:**

- i. Application on prescribed Form (Annexure-I) for the grant of Capital Subsidy Scheme along with listed documents would be submitted to the Director/ Director General, Industries and Commerce, Haryana on the web portal of the department.
- ii. The application would be processed and examined by the Joint Director/Deputy Director, District I&C Centre. They will be responsible for scrutiny and shall clearly recommend for approval/rejection of the claim after conducting inspection of the unit.
- iii. Joint Director/Deputy Director, District I&C Centre shall physically visit the unit and verify the eligibility of plant & machinery as per the claim.
- iv. The deficiencies, if any, would be communicated to the applicant in writing within a period of 7 working days and the applicant would be given a time period of 10 working days to rectify the deficiencies so pointed out.
- v. In case the deficiencies are not removed within prescribed period, the claim shall be forfeited by the Competent Authority, under intimation to the party through an e-mail.
- vi. The enterprise shall not be required to submit any additional document other than specified under Annexure-I unless required for establishing genuineness of the claim.

**7. Competent Authority for sanction**

The Director/ Director General, Industries and Commerce shall be competent authority for sanction of the subsidy.

**8. Time limit**

The enterprise shall submit its claim, complete in all respects, within 03 months of start of commercial production of the unit. In case the unit does not apply within 03 months then its entitlement for the subsidy will be forfeited.

**9. Interpretation / Clarification**

The Administrative Secretary Industries and Commerce, Haryana shall be competent to make interpretation/clarification of provisions of this scheme.

**10. Appeal**

An appeal against an order passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana which can be filed within a period of 30 days from the date of communication of orders appealed against. The orders

**Government of Haryana**  
**Industries and Commerce Department**

---

passed by the Administrative Secretary, Industries & Commerce, Haryana in appeal shall be final. Appeal can be submitted in a written format at the office of the Administrative Secretary, Industries & Commerce, Haryana with subject as "Appeal for Capital Subsidy Scheme under the Haryana Electric Vehicle Policy-2022".

**11. Power to condone delay in submission of application & appeal**

- i. The Director/ Director General, Industries and Commerce, Haryana shall be competent to condone the delay up to a period of 03 months after the prescribed time limit.
- ii. The Administrative Secretary, Industries & Commerce, Haryana shall be competent to condone the delay up to a period of 06 months after the prescribed time limit. Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/ arguments presented by the applicant.

**12. Penal Action**

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant, besides refund of assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government. If the applicant fails to refund the subsidy amount with interest, then the amount shall be recovered as arrear of land revenue. The applicant shall be debarred from public procurement as a result of mismatch in facts and figures.

**13. Service Delivery Timeline**

Sr. No.	Tasks	Time limit (working days)
1	Letter of Approval	30 days
2	Letter of Sanction	07 days
3	Disbursement	07 days

Anand Mohan Sharan  
Additional Chief Secretary to Government of Haryana,  
Industries and Commerce Department

**Government of Haryana**  
**Industries and Commerce Department**

---

**Annexure – I**

**Application format for claiming Capital Subsidy Scheme**

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Factory address of the unit with telephone no. & email ID	
3	Registered Office address	
4	Name of the block in which the manufacturing unit is located	
5	Category of block in which the manufacturing unit is located (A / B / C / D)	
6	Category of the unit (Micro / Small / Medium / Large / Mega-Ultra Mega)	
7	Haryana Udyam Memorandum (HUM) No. & Date	
8	Udyam Registration Certificate (URC) No & Date	
9	Date of commencement of commercial production of the unit (As per first sale bill)	
10	Item of manufacture/processing	
11	Total source of funding / means of finance (as approved by Bank/FI): <ul style="list-style-type: none"><li>• Promoter's contribution</li><li>• Term Loan</li><li>• Other resources Total</li></ul>	
12	Bank Details for beneficiary account <ul style="list-style-type: none"><li>• Bank Name</li><li>• Beneficiary Name (Authorized person of unit)</li><li>• Account Number</li><li>• Account Type (Savings / Current)</li><li>• IFSC</li></ul>	
13	Has the unit applied for any kind of similar incentive under other Government of India Scheme/Policy?	Yes / No Name of Scheme
14	Has the unit applied for Net SGST reimbursement under HEEP 2020 ?	Yes / No

Copies of documents to be attached with the application:

- i. Copy of Udyam Registration Certificate (URC) and Haryana Udyam Memorandum (HUM).

**Government of Haryana**  
**Industries and Commerce Department**

---

- ii. Certificate of Incorporation/ Partnership deed
- iii. Board resolution/ Power of attorney
- iv. Change of Land Use (CLU)/ NOC from competent authority, whichever applicable
- v. Declaration as per Annexure II
- vi. CA Certificate regarding investment in plant & machinery for new unit/expansion/ diversification (Annexure-III)
- vii. Audited balance sheet of the unit of last year (if Applicable)
- viii. Copy of first sale bill
- ix. Copy of cancelled cheque

Signature of the applicant (with seal)

**Government of Haryana**  
**Industries and Commerce Department**

---

**Annexure-II**

**Declaration (on non-judicial stamp paper of INR 50 duly notarized)**

1. I,.....do hereby solemnly state that I am proprietor/partner/director/ of M/s.....located at .....which is engaged in the manufacturing of ..... and I have been authorized to file the Capital Subsidy claim with the Industries & Commerce Department, Government of Haryana.
  
2. I do hereby affirm that the particulars given in the application are correct. In case, any of the statement/information furnished in the application/documents later found to be wrong or incorrect or misleading, I do hereby undertake to refund the entire amount of assistance of INR...../-[INR (in words).....] granted to me at the compound rate of interest @12% per annum, besides facing legal action at the time of verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant  
(with seal)



**Government of Haryana**  
**Industries and Commerce Department**

---

**Annexure-III**

**Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letter head)**

**To whom it may concern**

The records and books of account of M/s.....with their regd. office at..... and factory located at.....Block. in respect of investment in new plant & machinery (purchase value) of the unit has been verified. It is certified that the investment in plant & machinery as on date..... stands as INR.....(Rupees.....) and turnover for current fiscal year is INR.....(Rupees.....)

Name & signature of  
the Chartered Accountant  
(with seal)

UDIN ..... with stamps

CA membership number: .....

Dated: