

Government of Haryana
Industries and Commerce Department

Notification

No. 20/01/2022-4IB1

The 3rd November, 2022

In pursuance to the provision under Clause 5(e) of Haryana Electric Vehicle Policy-2022 notified in Gazette *vide* No. No. 20/01/2022-4IB-I dated 08.07.2022, the Governor of Haryana is pleased to notify scheme for grant of “Power Subsidy and Incentives (Electricity Duty Exemption)” to the manufacturers of Electric Vehicle (EV); major components of EVs; batteries for EVs and charging infrastructure as per details given hereunder:

1. Objective

To provide incentive to manufacturing unit by way of exemption in Electricity Duty, to ideally promote manufacturing of EV and components in the state and support in a conducive business ecosystem

2. Quantum Assistance

100% exemption on Electricity Duty for a period of 20 years. For units producing captive power, the exemption shall be limited to the power consumed for its own operation only, but not sold to other business entities/private companies/PSUs/DISCOMs/etc.

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. **Batteries for EVs:** An electric vehicle battery (EVB, also known as a traction battery) is a rechargeable battery used to power the electric motors of a battery electric vehicle (BEV) or hybrid electric vehicle (HEV).
- 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

Government of Haryana
Industries and Commerce Department

- 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 BEV/PHEV/SHEV. This equipment can be installed at existing fuel stations or separate charging or battery swapping stations
 - 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.
 - 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 GoI 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 GoI 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 GoI 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 GoI from time to time.

4. Eligibility

All Industrial Units gone into commercial production on or after 10.07.2022. The Industrial Units shall also comply with following conditions:

- i. Manufacturers of Electric (EV, BEV, FCEV) vehicles, charging infrastructure and EV/Hydrogen/Charging infrastructure component manufacturers shall be eligible for incentives
- ii. This scheme is applicable to new and existing units anywhere in B, C, and D blocks and / or in Govt. approved Industrial Estates / IMTs in Block A.

Government of Haryana
Industries and Commerce Department

- iii. Existing units desirous of claiming incentives under this policy shall have to comply with the following:
 - a. 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 and
 - b. Units with an additional investment of at least 50% of FCI (of the already established unit) in EV sector
- iv. The unit shall file Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) on the portal for statistical purpose, at any stage.
- v. The electricity duty exemption shall be available on the power load being used for the production purposes. The electricity duty exemption shall not be available on light load.
- vi. The unit should not fall in the restrictive list as notified by the State Government from time to time.
- vii. The unit should have obtained NOC/CLU from Competent Authority, if applicable.
- viii. The unit should be in commercial production at the time of disbursement.
- ix. Large and Mega units shall compulsorily establish a battery disposal/recycling/material recovery facility at their proposed plant for claiming any incentive under this policy.

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

5. Commencement and Applicability

The Scheme shall commence with effect from 10.07.2022 for units which have gone into commercial production on or after 10.07.2022, for granting Electricity Duty exemption to the manufacturers of Electric Vehicle (EV); major components of EVs; batteries for EVs and charging infrastructure and shall remain in operation for a period of 05 years

6. Procedure for Electricity Duty exemption claims

- i. Application on prescribed Form (Annexure-I) for the grant of electricity duty exemption, along with listed documents would be submitted to the Director/ Director General, Industries & Commerce on the web portal of the department.
- ii. The application would be processed and examined by the Joint Director/Deputy Director, District Industries Centre. They will be responsible for scrutiny and shall clearly recommend for approval/rejection of the claim after conducting inspection of the unit.
- iii. The deficiencies, if any, would be communicated to the applicant on-line within a period of 7 days and the applicant would be given a time period of 10 days to rectify the deficiencies

so pointed out.

- iv. 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 e-mail.
- v. The enterprise shall not be required to submit any additional document other than those specified under Annexure-I unless required for establishing genuineness of the claim.

7. Competent Authority for sanction

The Joint Director/ Deputy Director, District Industries Centre shall be Competent Authority to issue Electricity Duty exemption certificate for manufacturing units from payment of Electricity Duty by power utilities.

8. Time Limit for submission

The enterprise shall submit its claim, complete in all respects, within 03 months of release of electricity connection at the unit premises . In case the unit does not apply within 03 months then its entitlement for the subsidy will be forfeited.

9. Interpretation/Clarification

The Director / Director General, Department of Industries & 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 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 Power Subsidy and Incentives (Electricity Duty Exemption) Scheme under the Haryana Electric Vehicle Policy-2022”.

11. Power to condone delay

The Joint Director/ Deputy Director, District Industries Centre shall be competent to condone the delay in submitting the Electricity Duty Exemption claims after the period of 03 months of the release of electricity connection. However, the time period shall be counted from the date of release of electricity connection to the unit. The total period shall be limited to – ‘from the date of release of power connection’ by excluding delayed period.

For example, release of connection to ‘A’ industrial unit is say 01.01.2023, the industrial unit is

Government of Haryana
Industries and Commerce Department

required to submit application on or before 31.03.2023. If 'A' unit applies for exemption on 28.02.2023, then it will be eligible for ED exemption for 20 years w.e.f. 01.01.2023 to the period ending 20 years. However, if a 'A' unit applies for exemption on 01.04.2023, after condonation of delay, it would be eligible from 01.04.2023 to the period ending 20 years (from 1.1.2023). It means the industrial unit has lost the ED exemption for the period 01.01.2023 to 31.03.2023.

12. Penal Action

In case, it is found at any stage that the applicant has claimed the exemption 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

S. 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 for the Grant of Electricity Duty Exemption for new Industrial Enterprises.

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Address of the unit with telephone no. and e-mail	
3	Constitution of the Unit [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership) and co-operative society]	
4	Name of the block in which the enterprise located and category of blocks i.e. A/B/C/D	
5	Category of the unit (Micro/ Small/ Medium/ Large/ Mega/Ultra Mega).	
6	Udyam Registration Certificate (URC) and Haryana Udhyaam Memorandum (HUM)& date	
7	Date of commencement of commercial Production	
8	Item of manufacture/processing	
9	Date of release of electric connection	
10	Connected load (kW)	
11	Period for exemption from ED	

Self-attested copies of documents to be attached with the application:

- i. Copy of Udyam Registration Certificate (URC) and Haryana Udhyaam Memorandum (HUM).
- ii. Certificate of Incorporation/ Partnership deed/Partnership registration/ Co-operative society registration.
- iii. Board resolution/ Power of attorney
- iv. Change of Land Use (CLU)/ NOC from competent authority, whichever applicable.
- v. Performa signed by concerned SDO/Xen, UHBVNL/ DHBVNL in Annexure-II.
- vi. CA Certificate regarding investment in plant & machinery and turnover (Annexure-III).
- vii. Undertaking as per Annexure IV

Signature of the applicant (with seal)

Government of Haryana
Industries and Commerce Department

Annexure-7

Performa for details of electrical installation

Performa for details of electrical installations of M/S_____

Sr. No.	Details of Electrical Installation and connected load	Authority who inspected electrical installation	No. & date vide which permission for electrical connection given	Date of release of electrical connection

SDO/XEN
UHBVN /DHBVN

Government of Haryana
Industries and Commerce Department

Annexure-III

Certificate from Chartered Accountant regarding investment in plant & machinery and turnover (on CA letterhead)

To whom it may concern

The records of M/s with their regd. office at..... and factory located atBlock category in respect of investment in plant & machinery* (original purchase value) of the company has been verified. It is certified that the investment in plant & machinery as on date..... stands as Rs..... (Rupees-----
.....)and turnover of last financial year Rs..... (Rupees.....
.....)

Name & signature of the Chartered Accountant with
stamps & CA membership Number

Date.....

UDIN No.....

Undertaking/Declaration

(To be submitted on non-judicial stamp paper of Rs. 50/- (Min) duly sworn before a Notary Public affixed with Notarial Stamp; and with Notary Seal & Notary Registration Number or First-Class Magistrate):

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 application for exemption from Electricity Duty with the
Department of Industries & Commerce, Haryana.

The unit will be liable to refund excess subsidy/assistance, if any released due to omission
or pointed out by the Audit team of Principal Accountant General, Haryana.

I do hereby further 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 or violation of the eligibility criteria/conditions, I do
hereby undertake to refund the entire amount of exemption granted to me along with
compound rate of interest @12% per annum, besides facing legal action in case facts
contained in this application are proved to be wrong at the time of verification/ checking
or otherwise at any stage.

Dated:

Signature of the applicant
(with seal)