

India's Energy Transition: Subsidies for Fossil Fuels and Renewable Energy

2018 Annex Update



Introduction

This Annex is an accompaniment to [*India's Energy Transition: Subsidies for Fossil Fuels and Renewable Energy, 2018 Update*](#).

It provides detailed background information for all subsidies that have significantly changed since our 2017 review, [*India's Energy Transition: Mapping Subsidies to Fossil Fuels and Clean Energy in India*](#), with subsections on:

- Major changes in subsidy policies since the 2017 review
- New summary tables on policies linked to:
 - The Goods and Services Tax (GST)
 - Saubhagya
 - Electric vehicles

For information on subsidy definitions and estimation methodology, readers can refer to the main reports above. For a full overview of subsidy data, readers can also refer to the separate [accompanying data spreadsheets](#) that form part of the 2018 update.



1. Changes in Subsidy Policies Since the 2017 Review

The subsections below list major changes in subsidy policies since our last review of energy subsidies in India in 2017: [India's Energy Transition: Mapping Subsidies to Fossil Fuels and Clean Energy in India](#). The subsidies in question are identified according to the name that they were allocated in this paper.

1.1 Coal

C.10 Concessional customs duty rates on import of coal

In FY18, the import of coal attracts a 10 per cent customs duty and 5 per cent IGST. The 10 per cent customs duty rate is the highest in the minerals category ([Chapter 27 of CBIC Tariff](#)) and does not attract preferential rates on import.

Source: <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cst1617-020217/chap-27.pdf;jsessionid=9BCC84FD7D3AD2D263BA383AC4CED520>

C.13 Income tax exemption for the generation of power

Government provided tax holiday equal to 100 per cent of the taxable profits for the first 10 years of operation to power generating companies that began to operate after April 1, 1993. The scheme (Section 80 IA) was extended in 2014 and later discontinued in March 2017.

Source: https://www.business-standard.com/article/economy-policy/green-players-cheer-coal-power-units-unperturbed-by-tax-incentives-117020300449_1.html
<https://economictimes.indiatimes.com/industry/energy/power/budget-2017-power-tariffs-may-rise-marginally-as-tax-holiday-expires/articleshow/56916240.cms>

1.2 Oil and Gas

OG.22 Customs Duty Exemption to Power Companies Purchasing Imported LNG

Until February 2017, the customs duty on LNG was 5 per cent, and power companies purchasing LNG were exempted from the import duty. However, as per the [Notification No. 6/2017 Customs](#), the import duty on LNG has now been reduced to 2.5 per cent and the power companies continue to purchase LNG without any customs duty.

Source: <https://www.indiabudget.gov.in/budget2012-2013/ub2012-13/cen/cus1212.pdf>
<https://www.indiabudget.gov.in/budget2017-2018/ub2017-18/cen/dojstru1.pdf>
http://meity.gov.in/writereaddata/files/Notification%20No.6%20of%202017_2nd%20February%202017.pdf

OG.28 Income Tax Exemption to Companies Engaged in Production of “Mineral Oil”

Government provides a 100 per cent tax holiday on taxable profits for the first seven years of operation to companies that are:

- Commercially producing mineral oil in the blocks licensed under NELP



- Engaged in refining of mineral oil
- Engaged in commercial production of natural gas in blocks licensed under NELP – VII
- Engaged under commercial production of natural gas in blocks licensed under the IV round of coalbed methane

However, after March 31, 2017, the tax holiday is no longer applicable in respect to oil and gas blocks awarded after March 31, 2017 and any undertaking that began refining after March 31, 2017.

Source: www.sircoficai.org/downloads/cpe-materials/Finance-Bill-2016.pdf

1.3 Renewable Energy

RE.13 Biomass Gasifier Scheme

The Biomass Gasifier Programme was extended from 11th Plan to 12th plan till 2017. There was no further notification regarding the continuation/extension of the scheme.

Under this scheme, MNRE intended to promote multi-faceted biomass gasifier-based power plants for producing electricity using locally available biomass resources in rural areas.

RE.14 Small Wind Energy and Hybrid Systems Programme

The programme was extended in the 12th Plan period till 2017. There was no further notification regarding the continuation/extension of the scheme.

Under this scheme, a capital subsidy of INR 100,000 per kW was provided to wind-solar hybrid system project developers. In addition, 50 per cent of the project cost was provided to the water-pumping windmills.

Source: <https://mnre.gov.in/sites/default/files/schemes/wind-hybrid-system.pdf>

RE.19 Akshay Urja Shops Programme

MNRE has been promoting the establishment of Aditya Solar Shops in major cities of the country to make solar-powered products easily accessible and provide easy after-sales services. Under this program, loans are provided at subsidized rates (7 per cent) repayable over a period of five years.

However, as per the MNRE notification dated June 20, 2017, the program has been discontinued.

Source: <https://mnre.gov.in/file-manager/UserFiles/discontinue-of-Akshay-Urja-Shops-Programme-beyond-12thPlan.pdf>

RE.20 Accelerated Depreciation

The accelerated depreciation rate has been reduced from 80 per cent to 40 per cent in Budget 2017.

Source: <https://www.moneycontrol.com/news/business/economy/budget-2017-a-disappointment-for-indian-renewable-sector-says-mercom-1001583.html>

RE.23 Generation-Based Incentive (GBI) for Grid Interactive Wind Power Projects

In Budget 2017–18, the GBI for wind and solar power projects was withdrawn.

The rationale behind the scheme was to incentivize higher-efficiency projects for transition from investment-based incentive to an outcome-based incentive. The incentive is over and above the tariff



approved by the state utilities. Projects not taking advantage of accelerated depreciation are eligible for GBI.

Source: <https://www.india-briefing.com/news/india-solar-wind-industry-scope-investors-16346.html/>



2. New Subsidy Summary Tables

The subsections below list subsidy policies that have been newly identified in our 2018 review, *India's Energy Transition: Subsidies for Fossil Fuels and Renewable Energy, 2018 Update*. The subsidies in question are grouped in three categories: subsidies introduced as a result of the Goods and Services Tax (GST); the Saubhagya scheme; and subsidies for electric vehicles.

2.1 Subsidies Linked to the Goods and Services Tax (GST)

Subsidy category	Government revenue foregone → Tax breaks and special taxes → Exemptions from special taxes				
Stimulated activity	Consumption				
Subsidy name	C. Concessional GST rates on Coal Production				
Jurisdiction	Central Government				
Legislation/ endorsing organization	The Goods and Services Act, 2017				
Policy objective(s) of subsidy	To reduce the cost of coal as raw material				
End recipient(s) of subsidy	Coal-consuming sectors				
Time period	Revised periodically				
Background	Prior to the introduction of Goods and Services Tax (GST), coal was subject to concessional excise duty rates of 6 per cent compared to 15 per cent peak rates on other similar commodities. In the current GST regime, excise duty has been subsumed under GST and continues to attract a concessional rate of 5 per cent compared to the 18 per cent rate on other similar commodities.				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not in place	Not in place	Not in place	Not in place	Not available
(in USD million)	Not in place	Not in place	Not in place	Not in place	Not available
Information sources	http://pib.nic.in/newsite/PrintRelease.aspx?relid=169526 http://www.cbic.gov.in/resources//htdocs-cbec/gst/chapter-wise-rate-wise-gst-schedule-18.05.2017.pdf;jsessionid=0CC2E12FAF2CCB493F459D7994C79428				



Subsidy category	Government revenue foregone → Tax breaks and special taxes → Exemptions from special taxes				
Stimulated activity	Consumption → Consumption of LPG				
Subsidy name	GST Exemption: <ul style="list-style-type: none"> • OG. GST exemption on domestic Liquefied Petroleum Gas (LPG) • OG. GST exemption on PDS Kerosene 				
Jurisdiction	Central Government				
Legislation/ Endorsing Organization	The Goods and Services Act, 2017				
Policy objective(s) of subsidy	To make domestic LPG for household use and PDS Kerosene cheaper				
End recipient(s) of subsidy	End consumers of LPG and Kerosene				
Time period	Revised periodically				
Background	<p>Prior to the GST regime, domestic LPG and PDS kerosene were subject to concessional excise duty. However, after the introduction of Goods and Service Tax in July 2017, excise duty has been subsumed under GST.</p> <p>LPG and PDS kerosene for supply to domestic consumers are levied lower GST rates of 5 per cent compared to the non-domestic LPG and peak rates of other minerals of the same category at 18 per cent.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
Domestic LPG (in INR crore)	Not in place	Not in place	Not in place	Not in place	13,964
Domestic LPG (in USD million)	Not in place	Not in place	Not in place	Not in place	2081.5
PDS kerosene (in INR crore)	Not in place	Not in place	Not in place	Not in place	1304
PDS kerosene (in INR crore)	Not in place	Not in place	Not in place	Not in place	194.4
Information sources	http://www.cbic.gov.in/resources//htdocs-cbec/gst/chapter-wise-rate-wise-gst-schedule-18.05.2017.pdf;jsessionid=0CC2E12FAF2CCB493F459D7994C79428 PPAC Ready Reckoner June 2018: http://ppac.org.in/WriteReadData/Reports/201806290521342834814ReadyReckonerJune2018web.pdf				



Subsidy category	Government revenue foregone → Tax breaks and special taxes → Exemptions from special taxes				
Stimulated activity	Production → Installation of renewable energy power plants				
Subsidy name	RE. Lower GST rates on Equipment's use for generation from Renewable Energy Sources				
Jurisdiction	Central Government				
Legislation/ endorsing organization	The Goods and Services Act, 2017				
Policy objective(s) of subsidy	To lower capital costs for setting up projects and also cost of generation				
End recipient(s) of subsidy	Manufacturers/importers of equipment				
Time period	Revised periodically				
Background	GST on selected machinery—including apparatus and appliances, transmission equipment and auxiliary equipment, and components used for generation from solar and wind sources—is 5 per cent, which is lower compared to other equipment in the same category.				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not in place	Not in place	Not in place	Not in place	24,667
(in USD million)	Not in place	Not in place	Not in place	Not in place	367.7
Information sources	http://www.cbic.gov.in/resources//htdocs-cbec/gst/chapter-wise-rate-wise-gst-schedule-18.05.2017.pdf;jsessionid=0CC2E12FAF2CCB493F459D7994C79428				



2.2 The Saubhagya Scheme

Subsidy category	Direct and indirect transfer of funds and liabilities → Direct spending → Agency appropriation and contracts				
Stimulated activity	Production and Consumption				
Subsidy name	T&D. Pradhan Mantri Sahaj Bijli Har Ghar Yojana - Saubhagya				
Jurisdiction	Central Government				
Legislation/ endorsing organization	Budgetary Support provided by the Government of India Ref: Article 112, 116 and 282 of the Constitution of India				
Policy objective(s) of subsidy	Achieve universal household electrification by providing last-mile connectivity and electricity connections to all households in rural and urban areas				
End recipient(s) of subsidy	All DISCOMs, State Power Departments and Rural Electric Cooperative Societies				
Time period	2017 onwards				
Background	<p>After 2011, free electricity connections to BPL households were being released under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) Scheme. Also, the states released connections under their own schemes or with applicable charges. However, as per the data provided by states, out of a total of 179.6 million rural households, 46 million households are yet to be electrified as of April 30, 2017. Keeping in view the role of electricity in human and socioeconomic development, the Government of India has formulated this scheme to ensure last-mile connectivity and electricity connections to all remaining unelectrified households in the country.</p> <p>The total outlay of the project is INR 16,320 crores (USD 2.5 billion) while the Gross Budgetary Support (GBS) is INR 12,320 crores (USD 1.9 billion). All DISCOMs including private sector DISCOMs, State Power Departments and Rural Electric Cooperative Societies shall be eligible for financial assistance under the scheme.</p> <p>The beneficiaries for free electricity connections would be identified using Socio Economic and Caste Census 2011 data. However, the unelectrified households not covered under the SECC data would also be provided electricity connections under the scheme.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not in place	Not in place	Not in place	Not in place	2000
(in USD million)	Not in place	Not in place	Not in place	Not in place	310.33
Information sources	Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Office Memorandum http://saubhagya.gov.in/assets//download/OM-SAUBHAGYA%20(SIGNED%20COPY).pdf https://www.indiabudget.gov.in/ub2018-19/eb/sbe74.pdf SAUBHAGYA dashboard: http://saubhagya.gov.in/				



2.3 Electric Vehicles

Subsidy category	Direct and Indirect transfer of funds and liabilities → Direct spending → Agency appropriation and contracts				
Stimulated activity	Production and Consumption →				
Subsidy name	EV.1 Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicles in India (FAME- India) Scheme				
Jurisdiction	Central Government				
Legislation/ endorsing organization	Budgetary Support provided by the Government of India Ref: Article 112, 116 and 282 of the Constitution of India				
Policy objective(s) of subsidy	Support the hybrid/electric vehicles market development and its manufacturing ecosystem to achieve self-sustenance				
End recipient(s) of subsidy	Manufacturers				
Time period	2015 to 2020				
Background	<p>Government of India approved the National Mission on Electric Mobility in 2011 and subsequently National Electric Mobility Mission Plan 2020 was unveiled (in 2013). As part of the mission, Department of Heavy Industry (DHI) has formulated FAME scheme – India (Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicles in India).</p> <p>The overall scheme is proposed to be implemented over a period of six years, till 2020. Government is committed to instill confidence in the industry and allow them to plan requisite investments and create required capacities. This shall also enable the scheme to align with the “Make in India” initiative.</p> <p>Phase I of the scheme was proposed to be implemented over the two-year period, i.e., FY2016 to FY2017 which was later extended till September 30, 2018. Based on the outcome and experience gained in Phase I, the scheme shall be reviewed appropriately with inputs from stakeholders and shall be considered for implementation post-Phase I with appropriate allocation of funds for Phase II.</p> <p>The scheme has four focus areas: Technology Development, Demand Creation, Pilot Projects and Charging Infrastructure.</p> <p>Strong Hybrid, Mild Hybrid, Plug-in Hybrid, Pure Electric and Retrofitted Hybrid/Electric Vehicle technologies are covered under this scheme.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not in place	Not in place	74.9	144	235
(in USD million)	Not in place	Not in place	11.44	21.46	36.46
Information sources	<p>https://www.fame-india.gov.in/ViewNotificationDetails.aspx?RowId=5</p> <p>Department of Heavy Industry – Expenditure Budget FY18 and FY19 https://www.indiabudget.gov.in/ub2018-19/eb/sbe44.pdf</p> <p>Notification regarding extension of Phase – I of FAME scheme till 30th September 2018 https://dhi.nic.in/writereaddata/UploadFile/notification_1.PDF</p> <p>Notification regarding inclusion of retrofitted Hybrid/Electric Vehicles in the scheme https://www.fame-india.gov.in/ViewNotificationDetails.aspx?RowId=22</p>				



Subsidy category	Government revenue foregone → Tax breaks and special taxes → Exemptions from special taxes				
Stimulated activity	Consumption				
Subsidy name	EV.2 Concession of excise duty on electric vehicles				
Jurisdiction	Central Government				
Legislation/ endorsing organization	Sub-section (1) of section 5A of the Central Excise Act 1944				
Policy objective(s) of subsidy	To reduce the cost of electric vehicles in the market				
End recipient(s) of subsidy	Consumers				
Time period	Revised periodically				
Background	<p>In order increase the uptake of electric vehicles in the market, electric vehicles were subject to lower excise duty in order to reduce the cost of electric vehicles in the market. Thus, electric vehicles were subject to excise duty rate of 12.5 per cent compared to 24 per cent peak rates on fossil fuel-powered vehicles.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	1.7	3.8	9.2	4.1	Not applicable
(in USD million)	0.3	0.6	1.4	0.6	Not applicable
Information sources	<p>[Note: Due to lack of adequate data in all vehicle segments, this subsidy has been calculated only for four-wheelers]</p> <p>Central Board of Indirect Taxes and Customs Central Excise Duty Tariff, Chapter 86-87 (2015-17) http://www.cbic.gov.in/resources//htdocs-cbec/excise/cxt-2015-16/chap86-87.pdf;jsessionid=91DE30B247C5373421CB74BB19870C1B http://www.cbic.gov.in/resources//htdocs-cbec/excise/cxt-2016-17-new/chap86-87.pdf;jsessionid=6610D2D28CBDE93CD2459BA0766D0B87</p> <p>Central Board of Indirect Taxes and Customs GST rates https://cbec-gst.gov.in/gst-goods-services-rates.html http://www.cbic.gov.in/resources//htdocs-cbec/gst/chapter-wise-rate-wise-gst-schedule-18.05.2017.pdf;jsessionid=A73F9A452B8163B252827D9AF101E9D4</p>				



Subsidy category	Government revenue foregone → Tax breaks and special taxes → Exemptions from special taxes				
Stimulated activity	Production				
Subsidy name	EV.3 Exemption on Customs duty on parts of electric vehicles				
Jurisdiction	Central Government				
Legislation/ endorsing organization	Provisions of the Custom Tariff act, 1975				
Policy objective(s) of subsidy	To support the electric vehicles manufacturing sector				
End recipient(s) of subsidy	Manufacturers				
Time period	Revised periodically				
Background	<p>In order to promote the adoption of electric vehicles in India and to support the electric vehicles manufacturing sector, select parts of the battery-operated electric vehicles and hybrid electric vehicles are exempt from the custom duty.</p> <p>This exemption of custom duty is applicable on:</p> <ul style="list-style-type: none"> - Battery - Battery pack - AC/DC Motors - AC/DC Motor Controllers 				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not calculated	Not calculated	Not calculated	Not calculated	Not calculated
(in USD million)	Not calculated	Not calculated	Not calculated	Not calculated	Not calculated
Information sources	<p>[Note: Due to lack of information on the number of imports of these parts, the subsidy could not be quantified.]</p> <p>Notification for changes in Custom duty in FY14 http://www.cybex.in/india-budget/Budget-Changes-in-Custom-Duty-2013-2014.aspx Notification regarding extension of exemption on Custom duty http://www.cybex.in/india-budget/2016-Budget-Changes-Customs-Import-Duty.aspx</p>				



Subsidy category	Direct and indirect transfer of funds and liabilities → Direct spending → Agency appropriations and contracts				
Stimulated activity	Production				
Subsidy name	EV.4 Modified Special Incentive Package Scheme (M-SIPS)				
Jurisdiction	Central Government				
Legislation/ endorsing organization	Budgetary Support provided by the Government of India Ref: Article 112, 116 and 282 of the Constitution of India				
Policy objective(s) of subsidy	Offset the disability and attract investments in electronic manufacturing				
End recipient(s) of subsidy	Electric vehicles electronic parts manufacturing companies				
Time period	2012 to 2018				
Background	<p>The Modified Special Incentive Package Scheme (M-SIPS) was notified on July 27, 2012 by the Ministry of Electronics and Information Technology to offset the disability in electronics manufacturing sector and attract investments to achieve “Net Zero Imports.”</p> <p>The scheme is available for both new projects and expansions projects. It provides capital subsidy of 20 per cent in SEZ (25 per cent in non-SEZ) for units engaged in electronic manufacturing. It also provides for reimbursements of CVD/ excise for capital equipment for the non-SEZ units. The incentives are provided on reimbursement basis.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not available	Not available	Not available	Not available	Not available
(in USD million)	Not available	Not available	Not available	Not available	Not available
Information sources	http://meity.gov.in/esdm/incentive-schemes M-SIP Scheme notification dated July 27, 2012: http://meity.gov.in/writereaddata/files/MSIPS%20Notification.pdf Amendments to Revised Modified Incentive Package Scheme (M-SIPS) – Notification: http://meity.gov.in/writereaddata/files/msips_notification.pdf				



Subsidy category	Government revenue foregone → Tax breaks and special taxes → Exemptions from special taxes				
Stimulated activity	Consumption				
Subsidy name	EV.5 Concession of GST rates on electric vehicles				
Jurisdiction	Central Government				
Legislation/ endorsing organization	The Goods and Services Tax Act, 2017				
Policy objective(s) of subsidy	To reduce the cost of electric vehicles in the market				
End recipient(s) of subsidy	Consumers				
Time period	Revised periodically				
Background	<p>In order increase the uptake of electric vehicles in the market, electric vehicles were subject to lower excise duty (12.5 per cent compared to 24 per cent on fossil fuel vehicles) in order to reduce the cost of electric vehicles in the market.</p> <p>After the introduction of Goods and Service Tax (GST) in July 2017, the excise duty was subsumed under GST. The electric vehicles continue to have lower GST rates at 12 per cent compared to 28 per cent on the fossil fuel vehicles.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not applicable	Not applicable	Not applicable	Not applicable	15.36
(in USD million)	Not applicable	Not applicable	Not applicable	Not applicable	2.3
Information sources	<p>[Note: Due to lack of adequate data in all vehicle segments, this subsidy has been calculated only for four-wheelers]</p> <p>Central Board of Indirect Taxes and Customs GST rates</p> <p>https://cbec-gst.gov.in/gst-goods-services-rates.html</p> <p>http://www.cbic.gov.in/resources//htdocs-cbec/gst/chapter-wise-rate-wise-gst-schedule-18.05.2017.pdf;jsessionid=A73F9A452B8163B252827D9AF101E9D4</p>				



EV – State Policies [Maharashtra]

Subsidy category	Direct and indirect transfer of funds and liabilities → Direct spending → Agency appropriations and contracts				
Stimulated activity	Consumption				
Subsidy name	EV.6 Subsidy on Electric Vehicles				
Jurisdiction	The State of Maharashtra				
Legislation/ endorsing organization	Maharashtra Electric Vehicles and Related Infrastructure Policy, 2018				
Policy objective(s) of subsidy	To promote sustainable transport system				
End recipient(s) of subsidy	Consumers				
Time period	2018 - 2023				
Background	<p>Based on the recent techno-economic developments in the EV sector and the vision of the Government of India, the Government of Maharashtra formulated a policy for the promotion of the EV sector in the state.</p> <p>With the policy target to increase the number of registered electric vehicles in Maharashtra to 500,000, subsidies will be provided to the buyers of battery electric vehicles (BEVs). Initially the Government of Maharashtra aims to promote EV in public transport in six cities: Mumbai, Pune, Aurangabad, Thane, Nagpur and Nashik.</p> <p>Following are some of the subsidies provided by the Government of Maharashtra:</p> <ul style="list-style-type: none"> - First 1,000 EV passenger buses registered in the state to private/public bus transport buyer to get 10 per cent subsidy on base price (maximum limit of INR 0.2 crore (USD 31,033) per vehicle) - First 100,000 EVs (70,000 2-wheelers, 20,000 3-wheelers and 10,000 4-wheelers) registered in the state, private transporter and individual buyer to get 15 per cent subsidy (maximum limit of INR 5,000 for 2-wheelers, INR 12,000 for 3-wheelers and INR 100,000 for 4-wheelers) 				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not available	Not available	Not available	Not available	Not available
(in USD million)	Not available	Not available	Not available	Not available	Not available
Information sources	Maharashtra EV policy document: https://www.maharashtra.gov.in/Site/Upload/Government%20Resolutions/English/201802141807189810.pdf				



Subsidy category	Direct and indirect transfer of funds and liabilities → Direct spending → Agency appropriations and contracts				
Stimulated activity	Consumption				
Subsidy name	EV.7 Exemption of road tax and registration fees on Electric Vehicles				
Jurisdiction	The State of Maharashtra				
Legislation/ endorsing organization	Maharashtra Electric Vehicles and Related Infrastructure Policy, 2018				
Policy objective(s) of subsidy	To promote a sustainable transport system				
End recipient(s) of subsidy	Consumers				
Time period	2018–2023				
Background	<p>Based on the recent techno-economic developments in the EV sector and the vision of the Government of India, the Government of Maharashtra formulated a policy for the promotion of the EV sector in the state.</p> <p>Buyers of battery-operated electric vehicles registered in the state are exempted from road tax and registration charges.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not available	Not available	Not available	Not available	Not available
(in USD million)	Not available	Not available	Not available	Not available	Not available
Information sources	Maharashtra EV policy document: https://www.maharashtra.gov.in/Site/Upload/Government%20Resolutions/English/201802141807189810.pdf				



Subsidy category	Direct and indirect transfer of funds and liabilities → Direct spending → Agency appropriations and contracts				
Stimulated activity	Consumption				
Subsidy name	EV.8 Capital Subsidy on equipment/machinery for EV charging infrastructure				
Jurisdiction	The State of Maharashtra				
Legislation/ endorsing organization	Maharashtra Electric Vehicles and Related Infrastructure Policy, 2018				
Policy objective(s) of subsidy	To promote a sustainable transport system				
End recipient(s) of subsidy	Manufacturers of EV charging station				
Time period	2018–2023				
Background	<p>Based on the recent techno-economic developments in the EV sector and the vision of the Government of India, the Government of Maharashtra formulated a policy for the promotion of the EV sector in the state.</p> <p>The Government of Maharashtra has allowed for the installation of common EV charging points in residential areas, societies, bus depots, public parking areas, railway stations and fuel pumps, etc.</p> <p>Commercial public EV charging stations for 2-wheelers, 3-wheelers, cars and buses will be eligible for 25 per cent subsidy on equipment/machinery (limited up to INR 0.1 crore (~USD 15,500) per station) for first 250 commercial public EV charging stations.</p>				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not available	Not available	Not available	Not available	Not available
(in USD million)	Not available	Not available	Not available	Not available	Not available
Information sources	Maharashtra EV policy document: https://www.maharashtra.gov.in/Site/Upload/Government%20Resolutions/English/201802141807189810.pdf				



Subsidy category	Direct and indirect transfer of funds and liabilities → Direct spending → Agency appropriations and contracts				
Stimulated activity	Production				
Subsidy name	EV.9 Incentives to EV manufacturing, EV component manufacturing and EV battery manufacturing				
Jurisdiction	The State of Maharashtra				
Legislation/ endorsing organization	Maharashtra Electric Vehicles and Related Infrastructure Policy, 2018				
Policy objective(s) of subsidy	To promote the export of EV, components, battery and charging equipment				
End recipient(s) of subsidy	Manufacturers in EV value chain				
Time period	2018 - 2023				
Background	<p>Based on the recent techno-economic developments in the EV sector and the vision of the Government of India, the Government of Maharashtra formulated a policy for the promotion of the EV sector in the state.</p> <p>Under this policy, the following incentives will be admissible to EV manufacturing, EV component manufacturing and EV battery manufacturing/assembly enterprises, manufacturing of electric battery chargers. These incentives will be over and above the incentives under schemes of Government of India.</p> <p>These incentives will be provided to industries recognized as Pioneer Units, Mega Units and Ultra Mega Units, MSME and Large-Scale Units as per the Package of Incentives (PSI). The various incentives covered under the PSI basket of incentives are as follows:</p> <ul style="list-style-type: none"> - Industrial Promotion Subsidy (IPS) - Interest Subsidy - Power Tariff Subsidy - Exemption from Electricity duty - Waiver of stamp duty - Subsidies for strengthening MSMEs and LSIs 				
Amount of subsidy conferred	FY14	FY15	FY16	FY17	FY18
(in INR crore)	Not in place	Not in place	Not in place	Not in place	Not available
(in USD million)	Not in place	Not in place	Not in place	Not in place	Not available
Information sources	<p>Maharashtra EV policy document: https://www.maharashtra.gov.in/Site/Upload/Government%20Resolutions/English/201802141807189810.pdf</p> <p>Maharashtra Package Scheme of Incentives (PSI): https://maitri.mahaonline.gov.in/PDF/PackageSchemeofIncentives2013.pdf</p>				