

All Charged Up

In an effort to bring down pollution, the Delhi government has come out with an EV policy which aims to increase the number of these vehicles by 2023

By Papia Samajdar



india.uitp.org

AS Delhi emerges from the grip of a severe cold wave, poor air quality continues to make headlines. Recent fog conditions and temperature dips contributed to soaring pollutant concentration in the air. Air pollution has been established to be the second largest killer in India. In Delhi-NCR, vehicles contribute up to 40 percent of these pollutants. As awareness around air pollution grows, multiple initiatives are being started to tackle it. The latest initiative is an electric vehicle (EV) policy approved by the Delhi Government.

According to the policy, by 2023, 25 percent of new vehicle registration will be electric ones. The focus is on two- and three-wheelers, shared transport and commercial vehicles.

The policy is to exclusively promote fast-track adoption of battery EVs to improve Delhi's air quality by reducing vehicular pollution. Incidentally, all EVs have batteries—the difference is in how they are used.

This is a welcome move for clean air campaigners, environmentalists, and sustainable mobility planners as well as the automobile industry. The EV market in India has not made much headway

PROBLEM AREA

Infrastructure gaps like providing enough charging centres for electric vehicles are issues that deter people from buying EVs

yet. Both the government and the automobile industry expect this policy to fuel consumer interest in this segment. Currently, only 0.2 percent electric two-wheelers and 0.1 percent electric cars are sold every year. It is almost negligible for three-wheelers.

The Society for Indian Automobile Manufacturers lauded the policy, calling it comprehensive with the ability to create a market demand for EVs. This is



Anil Shakya

FOR CLEAN AIR

More electric vehicles on Delhi's roads will reduce vehicular pollution considerably

the sentiment of automotive components manufacturers.

“Electric vehicle adoption in India over the next five years is going to be largely driven by two-wheelers and three-wheelers. Electric two-wheelers are seen to have lower cost of ownership and acquisition compared with scooters which account for 34 percent of the two-wheeler industry. EV adoption in the car segment will be led by cab aggregators and the policy has been framed keeping this in mind,” said Shalini Chopra, who represents an Indian automobile components manufacturer.

The Delhi government aims to put 35,000 vehicles (two-, three- and four-wheelers and buses combined) on the roads along with 1,000 EVs for intermediate transport and last mile connectivity. In the next five years, the target is to register five lakh EVs.

The policy also puts in place 250 public charging stations and aims to change building by-laws to increase parking space by 20 percent—big enough to accommodate more than 10 cars in new non-residential buildings

accessible to charging.

For existing residential building owners, non-residential building owners and market associations with similar parking space, the policy offers subsidy to install one station for every three cars. The policy also provides for battery swapping facilities and concessional locations at selected public parking. The aim is to provide public charging facilities within three kilometres anywhere within Delhi.

The policy also incentivises buyers by providing waivers of road tax, registration charges, provision for one-time MCD parking and permit fee and subsidies up to ₹29,000 on two-wheelers. It also provides incentives for recycling of non-EVs and consumers willing to switch to EVs. This would boost employment in the sector and assist authorities in managing waste generated by scrapping vehicles.

“It is great to know that Delhi is taking action to tackle air pollution and the EV policy is an attempt in the right direction. However, the authorities need to fix the infrastructure gap like charging machines to convince the public to switch. Focussing on public transport is a right approach,” said



The Delhi government's EV policy plans to register five lakh vehicles in the next five years. It also puts in place 250 public charging stations. There will be incentives for consumers switching to EVs.

Saurav Banerjee, an executive who uses Uber taxis regularly.

Vivek Chattopadhyaya, programme manager, Clean Air Campaign, at the Centre for Science and Environment, told *India Legal*: “Lack of charging facilities is an issue. Facilities should be targeted segment by segment such as buses, auto-rickshaws, shuttle buses and such. Electric bikes can also be promoted in a big way for last mile connectivity. As electric rickshaws are highly popular, their quality of service, design, parking and charging facilities should be looked into. If taxis also switch to EVs, there will be more reduction of pollution as they operate higher number of kilometres every day in Delhi-NCR.”

Delhi has the advantage of experiencing fuel transition when it moved from petrol and diesel to CNG for all public transport. This policy also promotes a similar transition to cut vehicular pollution.

“If lesser number of internal combustion engine vehicles are sold and replaced by EVs in Delhi, potential pollution from new vehicles will reduce. But at the same time, proper infrastructure planning and public and neighbourhood charging facilities need to set up quite like the way CNG was pro- ▶



UNI

moted in Delhi,” said Chattopadhyaya.

India is gearing towards cutting its dependency on traditional fuels when it comes to vehicles. The National Electric Mobility Mission Plan 2020 was launched by the central government in 2013 along with schemes like Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME). Subsequent to this mission and related schemes, Karnataka, Kerala, Telangana, Maharashtra, Andhra Pradesh and Uttar Pradesh will also take it up.

Battery EVs pledge zero tailpipe emissions, along with the schemes to adopt non-internal combustion engines with a goal to achieve 30 percent penetration across India by 2030. Emissions will be cut to the

tune of 846 million tonnes of CO₂ and reduce oil dependency by 474 million tonnes.

Companies like Mahindra & Mahindra have already committed to investing ₹18 billion over the next few years for EV production. Other companies such as Bajaj, Maruti and Hero Corp, however, prefer a slower transition and a more robust market demand.

Automobile companies have been anticipating the push from the government. “Transition as big as this is an expensive affair,” said Ghan Shyam Dass Takkar, former CFO at Omax Autos Ltd. “Though this is an expected push, the industry is still not completely prepared.”

“The lower battery cost, reduced GST rate of five percent and FAME-II de-

VAST POTENTIAL

The Tata Tigor EV (left) and Hyundai Kona Electric (below) are among the popular brands available in India

mand incentives are expected to improve the cost of ownership and hence viability of EVs. The subsidy provided by the Indian government is lower compared with other countries such as Norway and China. In these countries, demand subsidy is nearly twice the cumulative incentive given in India. Availability of batteries (50 percent of the cost of the vehicles) and low indigenization need a boost,” said Chopra. The industry also expects the government to incentivise manufacturing to plug these gaps.

The policy to fasten up adoption of cleaner vehicles has been in the offing. However, implementation depends on numerous factors when it comes to changing market trends. There is a considerable gap when it comes to preparedness of the automobile industry as well as its ancillary sectors.

Standard infrastructure, clear policy, realistic timelines, power grid surplus, incentives on battery pack manufacturing and knowledge gaps are some of the key challenges the industry is grappling with. It is also worried that low awareness about product development and indigenisation of technology can result in job losses.

As the automobile industry is a big employment provider, it is important the government also promotes local manufacturing to ensure India doesn't depend on Chinese imports.

Learning from other countries should be looked at by the authorities, to embark on this programme. All aspects around infrastructure facilities, pricing and ease of operation need to be carefully planned and executed to achieve the goal, said Chattopadhyaya.

It is time to get all charged up. ■

Twitter: @indialegallive

Website: www.indialegallive.com

Contact: editor@indialegallive.com