

Draft Delhi Electric Vehicle Policy 2026-2030

On April 11, 2026, the Government of National Capital Territory (“NCT”) of Delhi (“GoNCTD”), released the Draft Delhi Electric Vehicle Policy, 2026-2030 (“**Draft Policy/Delhi EV Policy, 2026**”) seeking stakeholder comments within 30 (thirty) days (i.e., by May 11, 2026). The key objectives of the Draft Policy are to:

1. accelerate adoption of Electric Vehicles (“EVs”) by supporting the installation of a comprehensive charging network and a robust EV supply chain across NCT of Delhi (“Delhi”); and
2. improve air quality by reducing reliance on vehicles having Internal Combustion Engine (“ICE”).

Salient features

Purchase incentives

1. Direct Benefit Transfer (“DBT”) to beneficiaries (individual buyer/proprietary firms/agencies/companies) who are residents of Delhi and register the vehicle in Delhi.
2. Eligibility of vehicles and incentive structure:
 - a) eligibility of 2 (two) wheelers: only those whose ex-factory price does not exceed INR 2,25,000 (Indian Rupees two lakh twenty-five thousand);
 - b) Electric 3 (three) Wheeler Auto-Rickshaw (**L5M**): incentives will be available for the replacement of old compressed natural gas auto-rickshaws or new auto-rickshaws registered with permit of Delhi; and
 - c) Electric 4 (Four)-Wheeler Goods Vehicles (**N1**): their eligibility for purchase incentives will be aligned with the Prime Minister Electric Drive Revolution in Innovative Vehicle Enhancement (“**PM E-Drive**”) scheme, of the Government of India (“**GoI**”), and other subsequent schemes.

Incentive structure (on the basis of year-wise registration from the date of notification):

Category	Year 1 from date of notification	Year 2 from date of notification	Year 3 from date of notification
Two-wheelers	INR 10,000 per kWh (maximum of INR30,000)	INR 6,600 per kWh (maximum of INR20,000)	INR 3,300 per kWh (maximum of INR10,000)
Electric three-wheeler auto-rickshaw (L5M)	INR 50,000	INR 40,000	INR 30,000

Category	Year 1 from date of notification	Year 2 from date of notification	Year 3 from date of notification
Electric four-wheeler goods vehicles (N1)	INR 1,00,000	INR 75,000	INR 50,000

3. Scrapping incentives on purchase of a new EV:

- a) disbursement to individuals through DBT;
- b) scrapping incentive on Certificate of Deposit (“CoD”) only applicable to the scrapped vehicle’s owner; and
- c) scrapping incentives are available on the condition that all the purchases should be made within six (6) months of issuance of the CoD from an authorised scrapping facility:

Scrapping incentives

Category	Incentives	Other terms and conditions
Electric two-wheeler	INR 10,000	Only applicable for scrapping of two-wheelers (BS-IV and below), registered in Delhi.
Electric three-wheeler auto-rickshaw (L5M)	INR 25,000	Only applicable for scrapping of three-wheelers L5M (BS-IV and below), registered in Delhi.
Electric car (non-transport)	INR 1,00,000 (Ex-factory price should not exceed INR 30,00,000)	Only applicable for scrapping of cars (BS-IV and below) registered in Delhi. It will be limited to the first 1,00,000 eligible applicants.
Electric four-wheeler goods carriers (N1 Trucks)	INR 50,000	Only applicable for scrapping of four-wheeler Goods Carriers N1 Trucks (BS-IV and below), registered in Delhi.

4. Road tax and registration fee exemption: 100% exemption at the time of registration to all EVs registered in Delhi during the policy period (2026-2030). Terms and conditions regarding this exemption in case of electric cars:

- a) 100% exemption (50% on Strong Hybrid EV) to electric cars with ex-showroom price below or equal to INR 30,00,000 (Indian Rupees thirty lakh) till March 31, 2030; and
- b) no exemption to electric cars with ex-showroom price above INR 30,00,000 (Indian Rupees thirty lakh).

Charging and Battery Swapping infrastructure development:

1. The GoNCTD to take following steps for Charging and Battery Swapping (“CBS”) infrastructure development:

- a) to send proposals for availing support under GoI’s PM E-Drive scheme or similar schemes; and
- b) allocate sufficient funds to augment public and community charging infrastructure.

2. Nodal agency: Delhi Transco Limited (“DTL”).

3. Duties of DTL regarding deployment and operation of public EV CBS infrastructure:

- a) to aggregate demand, proposed locations, and load requirements across departments and agencies.
- b) undertake system-level planning to ensure optimal siting, grid readiness, and phased deployment.

- c) develop, notify, and periodically update Standard Operating Procedures (“SOPs”) detailing technical standards, approval processes, timelines, service level benchmarks, and monitoring mechanisms;
 - d) develop, operate, or integrate a dedicated digital portal for end-to-end management, including site onboarding, approvals, monitoring, and reporting, in coordination with District Magistrates, Deputy Commissioners through revenue department, and other agencies; and
 - e) create a ‘single window clearance’ facility for charge points and battery swapping operators.
4. Constitution of a High-Powered Committee:
- a) chairperson: Chief Secretary, GoNCTD; and
 - b) representatives from the departments of transport, power, planning, environment, finance, DTL, Distribution Companies (“DISCOMs”), and any other department/agency/body as deemed necessary.

Role of original equipment manufacturers

1. To ensure adequate and timely supply of EVs across all eligible segments during the policy period;
2. to ensure the deployment of at least one public EV charging station per dealer (having minimum of three (3) charging points for 2 (two)/3 (three) wheelers and 2 (two) charging points for 4 (four) wheelers); and
3. to stabilise the cost of EVs to make them affordable.

Additional ecosystem development measures regarding battery recycling

1. The environment department, GoNCTD to ensure compliance of the Battery Waste Management Rules, 2022 by Original Equipment Manufacturers (“OEMs”) and other obligated entities, including requirements regarding Extended Producer Responsibility (“EPR”), reporting, and environmentally sound management of waste batteries;
2. the Delhi Pollution Control Committee (“DPCC”) to provide a policy framework to facilitate the deployment of battery collection centres under a Public-Private Partnership (“PPP”) model, in collaboration with authorised recyclers and other eligible entities, to enable collection of waste batteries;
3. DPCC to notify SOPs for OEMs and other obligated entities to ensure the safe collection, storage, transportation, and transfer of waste batteries to authorised recyclers/Producer Responsibility Organisations (“PROs”);
4. OEMs to submit periodic reports to DPCC on EPR target compliance and battery traceability; and
5. GoNCTD to promote a battery traceability-enabled ecosystem, based on unique battery identifiers.

Electrification mandates for registration

1. New registrations in Delhi will **only** be permitted for:
 - a) electric 3 (three) wheelers (L5) from January 1, 2027 onwards;
 - b) electric 2 (two) wheelers from April 1, 2028 onwards; and
 - c) schools must adhere to the following electrification targets for their buses. These will apply to total school bus fleet, whether owned, leased or hired. The education department, GoNCTD will ensure its compliance.

Effective date	Minimum electric share of fleet
Till completion of year 2 from date of notification	10%

Till completion of year 3 from date of notification	20%
Till 31st March 2030	30%

2. Electrification Targets for fleet aggregators and delivery service providers:
 - a) from January 1, 2026, conventional ICE vehicles running purely on diesel/petrol will not be inducted in the existing fleet of 4 (four)-wheeler LCVs, 4 (four)-wheeler LGVs (N1 category up to 3.5 (three point five) ton) and 2 (two) wheelers. However, BS-VI emission standard 2 (two) wheelers are allowed to be inducted up to December 31, 2026; and
 - b) all other provisions of the existing Delhi Motor Vehicle Aggregator and Delivery Service Provider Scheme, 2023, will apply and remain unchanged.
3. Government fleet: From the date of notification of the Delhi EV Policy, 2026 the following type of fleet will only be electric- all hired/leased vehicles, except the emergency/exempted vehicles; new intra-state buses inducted by the Delhi transport corporation and the transport department, GoNCTD; and New N1 trucks purchased/leased/hired by departments/autonomous bodies/corporations/boards and similar institutions under GoNCTD including Municipal Corporation of Delhi ("**MCD**"), New Delhi Municipal Council ("**NDMC**") and Delhi Cantonment Board.

Digital integration:

GoNCTD must ensure that all the implementation frameworks (applications, approvals, verifications, disbursements, reporting, and grievance redressal) are done through digital systems in a paperless manner.

Institutional framework (nodal departments and responsibilities):

1. Transport department, GoNCTD:
 - a) nodal department for implementation of the Delhi EV Policy, 2026;
 - b) issue clarifications, minor amendments, and operational guidelines after Transport Minister's approval; and
 - c) EV cell: to be constituted under the special/additional/joint commissioner (EV) of transport department, GoNCTD. It will also have a dedicated hired project management consultant to ensure implementation and operation of the Delhi EV Policy, 2026.
2. DTL through power department, GoNCTD:
 - a) planning, deployment, and monitoring of public EV CBS stations;
 - b) to ensure that public CBS infrastructure remains operational, and to develop and notify its service level benchmarks for performance, uptime, and reliability;
 - c) to assess present and future electricity load requirements arising from EV charging demand in Delhi; and
 - d) to ensure timely power procurement and seamless power supply through coordinated planning and implementation with the DISCOMs.
3. Environment department, GoNCTD:
 - a) to assess and periodically quantify the emission reductions achieved through new EV registrations under the Delhi EV Policy, 2026;

- b) to develop and apply a transparent methodology to evaluate impact on air pollutant emissions and greenhouse gas emissions; and
 - c) to ensure strict adherence by OEMs and other obligated entities to all applicable provisions of the Battery Waste Management Rules, 2022, including requirements related to EPR, reporting, and environmentally sound management of waste batteries.
4. DPCC:
- a) to provide a policy framework to facilitate the deployment of battery collection centres under a PPP model, in collaboration with authorised recyclers and other eligible entities; and
 - b) to notify SOPs for OEMs and other obligated entities to ensure the safe collection, storage, transportation, and transfer of waste batteries to authorised recyclers or PROs, in compliance with applicable environmental regulations, EPR requirements, and safety standards.
5. Urban local bodies (MCD, Delhi Development Authority, Delhi Cantonment Board, NDMC, PWD, DUSIB, Revenue Department and other land-owning agencies):
- a) to identify suitable land parcels for the deployment of public EV CBS infrastructure and extend necessary support to DTL during planning, approvals, and implementation; and
 - b) all new civil infrastructure projects of departments/autonomous bodies/corporations/boards and similar institutions under GoNCTD including MCD, NDMC and Delhi Cantonment Board are required to have adequate electrical capacity to enable the installation of EV charging infrastructure.
6. Education department, GoNCTD - to ensure compliance with the mandate across the entire school bus fleet by issuing necessary directions and monitor its adherence in coordination with transport department.
7. District Magistrates through revenue department – land aggregation: to facilitate identification, aggregation, and making available of suitable land parcels for priority public infrastructure requirements, including EV CBS infrastructure and allied facilities.

Other features

1. EV fund:
- a) for operational and implementation expenses related to the Delhi EV Policy, 2026. Spending under it will be as per the latest applicable delegation of financial powers rules. It will be maintained by the transport department, GoNCTD;
 - b) source of funding: State budgetary allocations, Central and State Government schemes and grants, air ambience fund, environment compensation charge, PM E-Drive Scheme, cess, taxes, and any other approved sources.
2. Delhi EV apex committee:
- a) chairman: Transport Minister, GoNCTD; and
 - b) object: Implementation of the Delhi EV Policy, 2026, and management of the EV Fund.
3. The Delhi EV Policy, 2026 will remain in force from the date of notification till March 31, 2030, unless extended or modified by the GoNCTD.

Conclusion

The GoNCTD's Draft Policy is very ambitious. It covers purchase incentives, scrappage incentives, CBS infrastructure, battery recycling measures, digital integration etc. It seeks to address the issue of air pollution and make clean mobility an affordable option for the beneficiaries. The incentives being provided to scrap old vehicles to promote EVs are quite lucrative and will provide a much-needed respite to the beneficiaries, especially for the buyers of two-wheelers. The Draft Policy is a welcome step in developing Delhi as a smart city with holistic planning and integration of various facets of governance to ensure requisite infrastructure for the next generation integration of e-mobility measures required for the country's capital.

Electricity and Power Practice

JSA is the leading national practice in the power sector – conventional and non-conventional. JSA provides legal services at all stages of the value chain in the sector - across the spectrum of contractual, commercial, policy, regulatory and legal issues. We represent clients in all segments: generation, transmission, distribution and trading. JSA serves its clients by transaction-specific integrated teams across various locations and practice areas (Banking & Finance, Mergers & Acquisition and Private Equity, Projects and project related contracting, Dispute Resolution, Taxation, Regulatory proceedings and Policy advisory).

JSA has been regularly engaged in; (a) providing policy advice to Governments of Bangladesh and Maldives, as also the Government of India besides various Indian states. Also, JSA partners have presented expert testimony to the Parliamentary Standing Committees and the Forum of Regulators on challenges faced by the power sector and proposed legislative and policy changes, development financial institutions like the World Bank, the Asian Development Bank, DfID, USAID regulatory authorities and industry bodies; (b) advising project developers, investors, suppliers and contractors on commercial / transactional issues and all aspects of licensing, market structures, competition, performance standards and tariffs; (c) advising financial institutions and borrowers in relation to financing transactions; (d) Advising clients on sustainable development issues like clean development mechanism and environmental compliances; and (e) specialised dispute resolution.

This Prism has been prepared by:



Anupam Varma
Partner



Nikhil Sharma
Partner



Shivali Rawat
Associate



19 Practices and
40 Ranked Lawyers



8 Ranked Practices,
22 Ranked Lawyers



15 Practices and
20 Ranked Lawyers



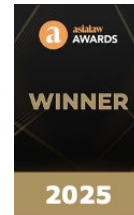
13 Practices and
49 Ranked Lawyers



20 Practices and
24 Ranked Lawyers



8 Practices and
10 Ranked Lawyers
Highly Recommended in 5 Cities



**Regional Legal Expertise Awards
(APAC) of the Year**
Energy Firm Competition/
Antitrust Firm



Among Best Overall
Law Firms in India and
14 Ranked Practices

9 winning Deals in
IBLJ Deals of the Year

15 A List Lawyers in
IBLJ A-List – 2026



Recognised in World's 100 best
competition practices of 2026



Ranked Among Top 5 Law Firms in
India for ESG Practice



Asia M&A Ranking
2025 – Tier 1

For more details, please contact km@jsalaw.com

www.jsalaw.com



Ahmedabad | Bengaluru | Chennai | Gurugram | Hyderabad | Mumbai | New Delhi



This Prism is not an advertisement or any form of solicitation and should not be construed as such. This Prism has been prepared for general information purposes only. Nothing in this Prism constitutes professional advice or a legal opinion. You should obtain appropriate professional advice before making any business, legal or other decisions. JSA and the authors of this Prism disclaim all and any liability to any person who takes any decision based on this publication.

Copyright © 2026 JSA | all rights reserved