

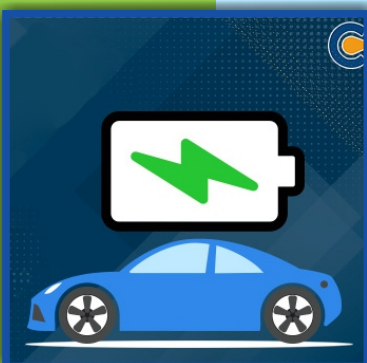
# GOVERNMENT POLICY REPORT

## *Policies Covered In The Edition*



### **Gati Shakti Cargo Terminal Policy to Increase Modal Freight Transportation Share of Indian Railways**

### **India Energy Week 2023: A Global Energy Community Platform under India's G20 Presidency**

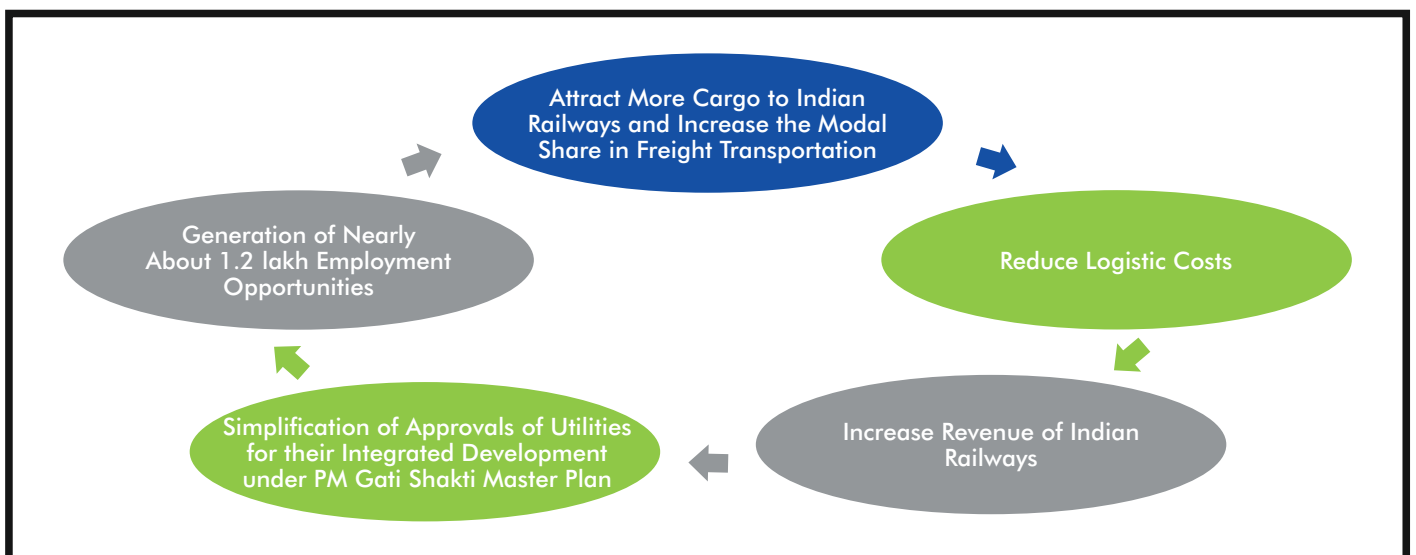


### **Battery Swapping Policy to Accelerate Growth of Electric Vehicles in India**

## Gati Shakti Cargo Terminal Policy to Increase Modal Freight Transportation Share of Indian Railways

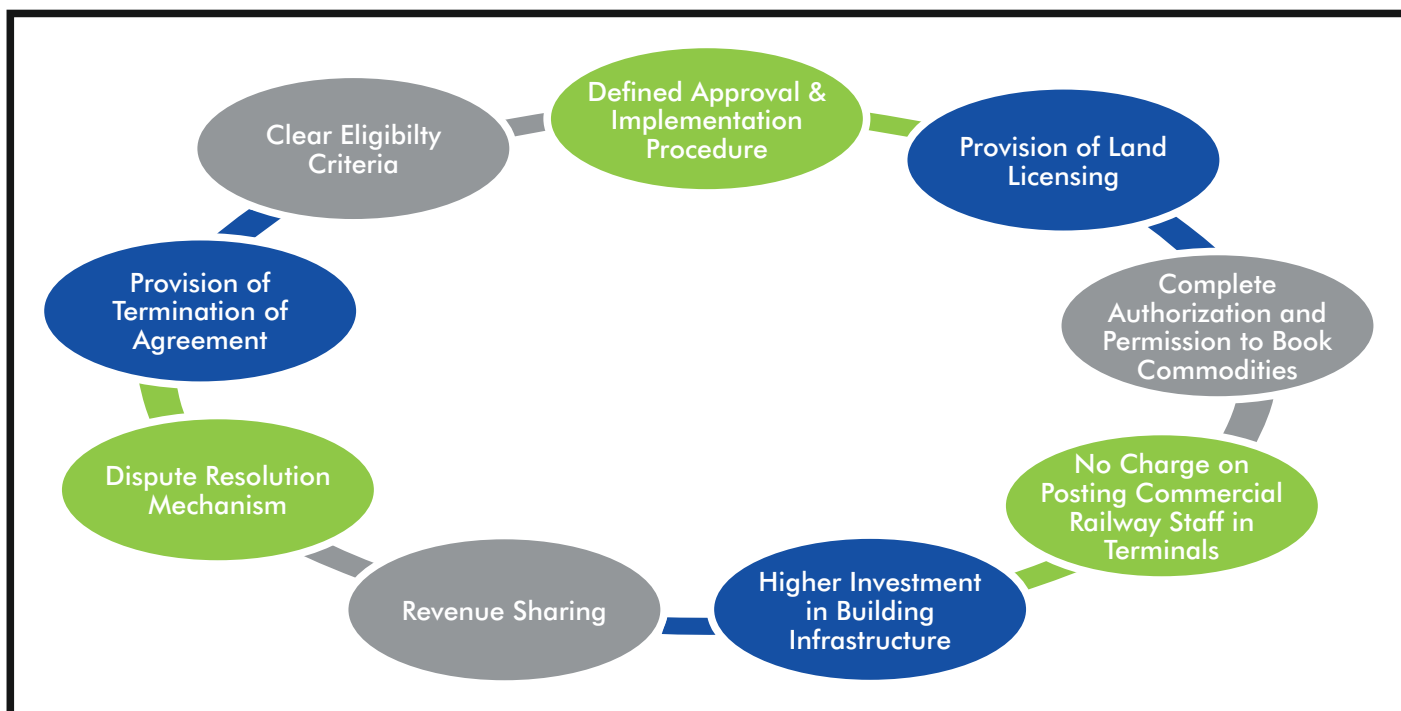
The Ministry of Railways, Government of India on 6<sup>th</sup> December 2022 has notified a master circular on the Gati Shakti Multi-Modal Cargo Terminal Policy, 2022 to increase Indian railway's modal freight traffic share that will add to its revenue and reduce logistics cost across the sectors significantly.

The policy has been targeting the development of 100 Gati Shakti Cargo Terminals (GCTs) in the next three years i.e., upto 2024-25. Out of these 100, 22 GCTs have already been commissioned where Tharpanagar GCT in Asansol Division is the first one along with the in-principal approval of 79 others. This trend is expected to increase the handling capacity of freight traffic worth more than 36 billion in a year along with the following expected impacts after the complete roll-out of this policy:



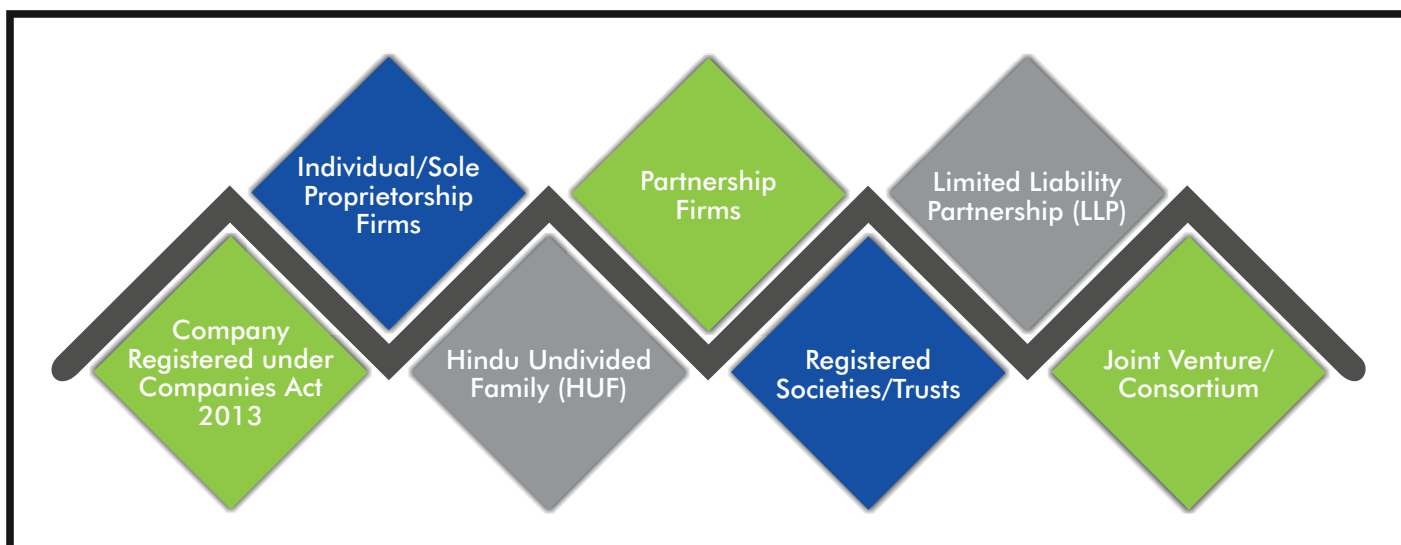
The GCT policy amendment will increase the transportation efficiency of Indian Railways by reducing transit time. In this regard, the union government has approved the railway's proposal related to the railway's land policy for the effective implementation of the PM Gati Shakti Master plan and facilitate cargo-related activities, Public Utilities & Railway's exclusive use on these lands

through major revisions. The important features to achieve the objectives of the policy on the ground are:



It has allowed a free hand to GCT operators to establish the facilities in non-Railway, partially or fully owned railway lands concerning necessary approvals. Here, the operators for construction and the terminal operation are selected through an open tendering process.

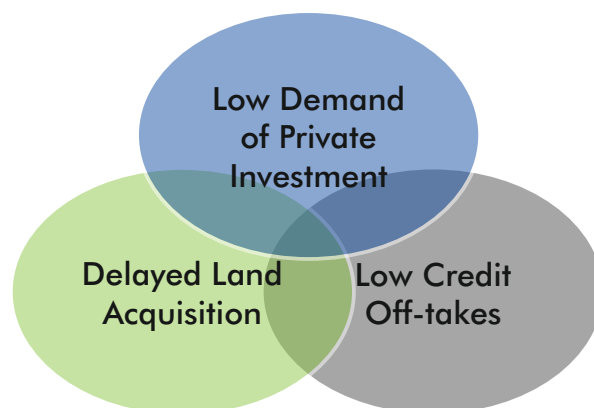
The revised liberal land leased policy will bring more opportunities for stakeholders including operators and service providers. It will encourage the development of more such cargo traffic facilities by them and will in turn increase the railway's revenue significantly for which no additional expenditure has been incurred to the railways. The eligible entities to operate as GCT operators are as under:



The long-term leasing (upto 35 years) for cargo-related activities on railway land are opening new opportunities and nurturing an integrated development of railway infrastructure and cargo terminals in the country. That will ease the freight transportation burden from India's busy roads and reduce transit time. This is the first time in the history of Indian railways that surplus land under railways has been offered to third parties and developed through private participation.

The policy also talked about the setting up of underground utilities of optical fiber cables and solar plants for the terminal operation on nominal cost charges. The provision of social infrastructure development such as schools and hospitals on these railway land sunder PPP mode has also received a mention in the policy.

In the post-Covid 19 scenarios, the Indian Railways freight and cargo terminal facilities are experiencing major challenges impeding the growth of railways cargo terminal operation and construction. Some of these were as under:



Thus, the policy amendment makes a win-win situation for both railways as well as GCTOs. This will generate higher revenue for railways and increase the capacity of its freight traffic while GCTOs will get access to the railway's strategic locations which will increase their business profitability in the long run.

With Rs 100 trillion investment under the Gati Shakti Multi-Modal Master Plan of the Government of India, a structural change in railway infrastructure has been planned which will make India a US\$ 5 trillion economy by 2025. The policy is in line with the central government's vision and is a great step in the right direction. It will reduce India's currently very high logistic cost of 13% of GDP (higher than developed nations) and make India's export competitive enough in the global market.

It will also give India's freight transportation a quality infrastructure on global standards with the help of private entities along with macroeconomic stability to the Indian economy. It will optimally utilize the vast rail network of the country to accelerate the growth engine of various other sectors by removing the bottleneck issues of infrastructure over time.

**A Giant Stride in India's \$5 Trillion Economy Goal**  
**PM GATI SHAKTI: NATIONAL MASTER PLAN**

**Multimodal Connectivity Infrastructure to various Economic Zones**

**INTEGRATED APPROACH**

- Synchronization in implementation
- GIS base having over 600 layers for spatial analysis and planning
- Identifying vital interventions for enhancing & updating the master plan



India's energy security is important for global growth, as it is the world's fastest growing economy. We must not promote any restrictions on the supply of energy and stability in the energy market should be ensured. India is committed to clean energy and environment. ”

Hon'ble Prime Minister of India  
SHRI NARENDRA MODI



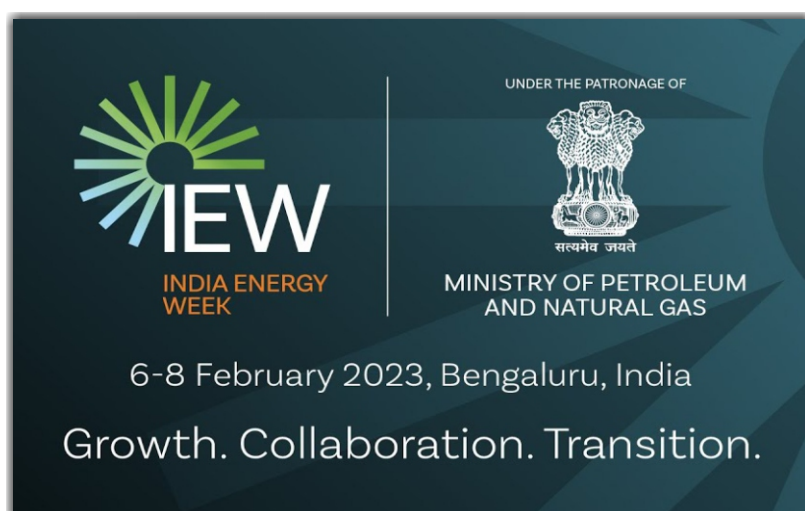
Source: [https://www.indiaenergyweek.com/?utm\\_source=adestra&utm\\_medium=email%20&utm\\_campaign=energy\\_connects](https://www.indiaenergyweek.com/?utm_source=adestra&utm_medium=email%20&utm_campaign=energy_connects)

On 16<sup>th</sup> December 2022, India's flagship energy event "India Energy Week 2023" (IEW) has been kicked off by the Minister of Petroleum and Natural Gas. It is going to be held between 6 February 2023 to 8 February 2023 in India's Silicon Valley, Bangalore.

The energy sector is the fuel of India's economic growth and is going to cater to global energy giants, IT and financial companies along with the diplomatic community from the corner of the world to understand and find enormous opportunities in India's energy ecosystem. It will give them a platform to collaborate and grow together toward a sustainable future while fulfilling the energy demands of the rising population.

This event under India's G20 presidency is going to be held with a broader theme of "Growth, Collaboration, Transition" and ready to welcome stakeholders to take part in India's green transition. It will mark India's first step towards an energy-efficient developed economy by 2047. The kick-off event marks many preparatory events and showcases India's innovative pathways towards clean and green energy solutions for the country's energy demand in the coming future. Some of these important events are "Dancing Charge Electric Vehicles in New Delhi," Car Rally of Sustainable Fuel Vehicles" from New Delhi to Manesar, Haryana, etc.

Bangalore is an obvious choice to host the event because of its tremendous growth in the areas like innovation, IT and startups that are leading the ride of sustainable solutions for India's complex problems every day. The event will mobilize this all to achieve solutions for India's energy challenges and help India to play a key role in the global energy transition with secure and affordable solutions. It will be a great platform for attracting investment, finding a skilled



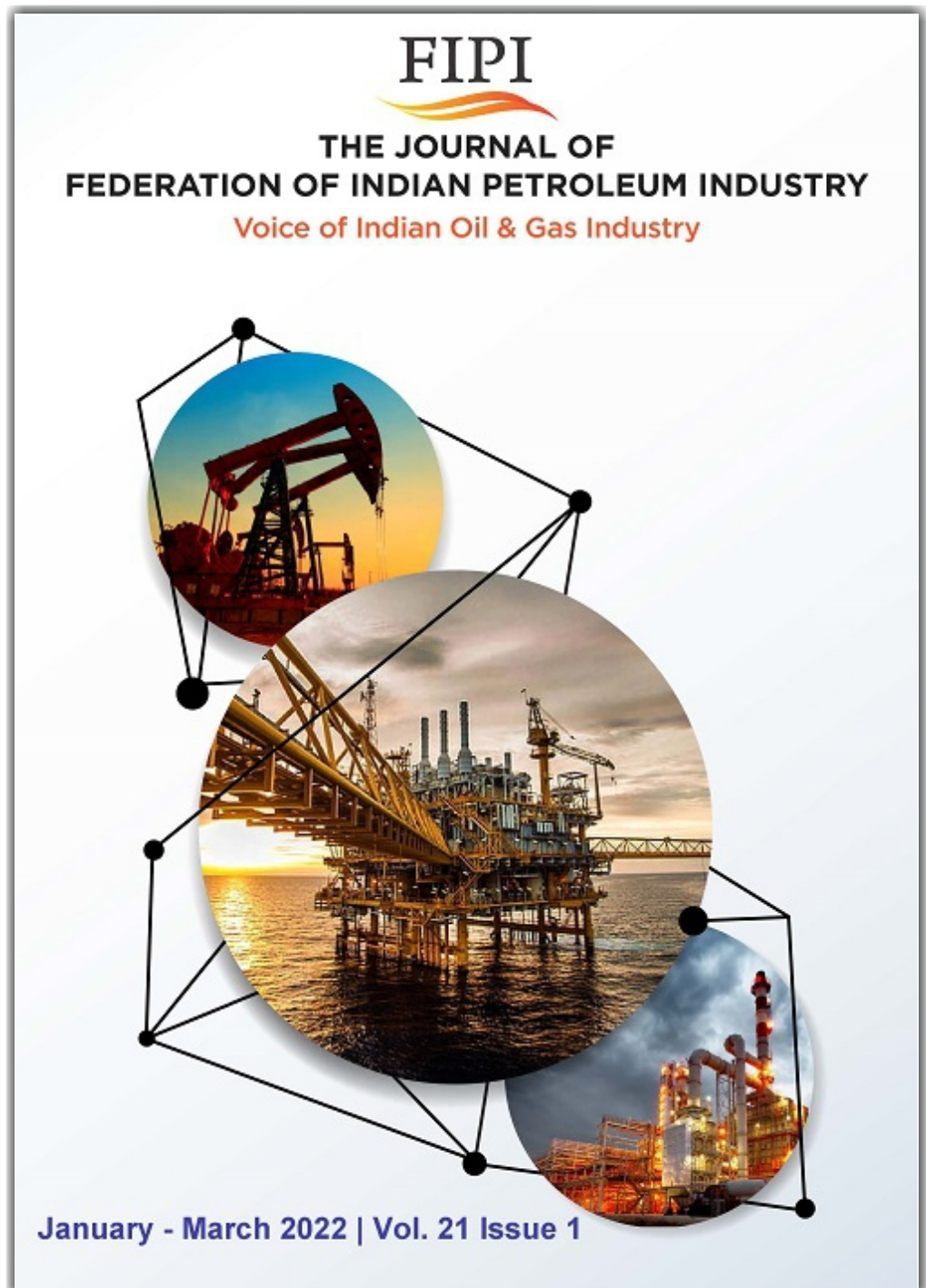
workforce, along with witnessing the global best practices in the energy sector to drive India's energy-efficient policymaking and collaborations.

30,000+	650+	8,000+	500+	80+
Energy professionals	Exhibiting companies	Conference delegates	International speakers	Conference sessions

Source: [https://www.indiaenergyweek.com/visit/why-visit/?utm\\_source=adestra&utm\\_medium=email%20&utm\\_term=&utm\\_content=&utm\\_campaign=energy\\_connects](https://www.indiaenergyweek.com/visit/why-visit/?utm_source=adestra&utm_medium=email%20&utm_term=&utm_content=&utm_campaign=energy_connects)

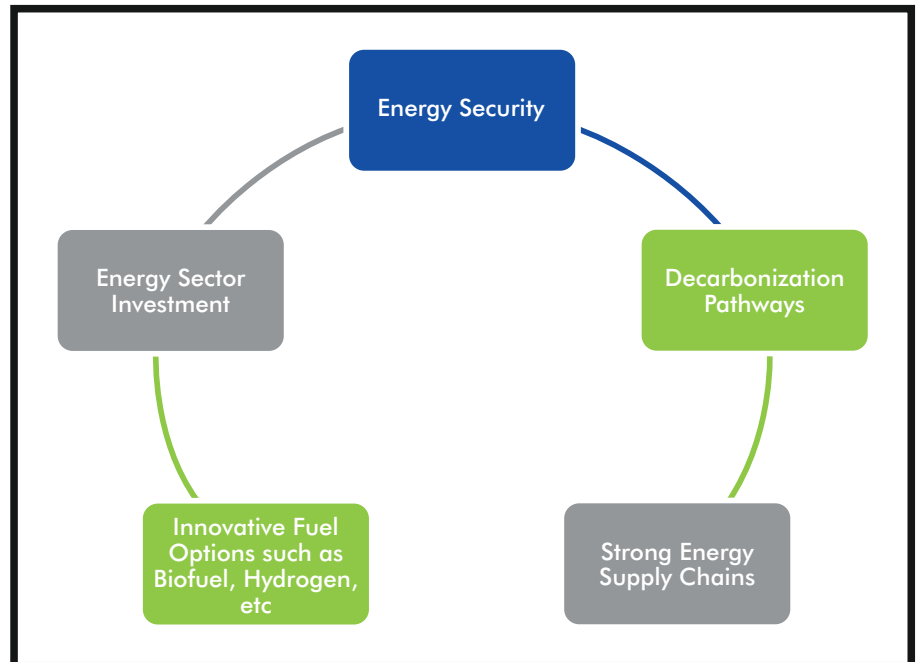
India's energy growth in today's time is three times the global growth in the sector that includes various dimensions such as exploration, production, renewable energy, bio fuels, hydrogen fuel, refinery sector, etc. India is the fastest-growing economy with a rising population that is leading the global energy landscape with the expectation of higher energy demands in near future. Thus attracting global players, investors, etc, and putting forward India's vision to setup the "International Bio fuel Alliance" under its G20 presidency has enormous prospects.

The strategically important event right after India's pledge at COP26 to achieve 500 GW non-fossil energy capacity by 2030

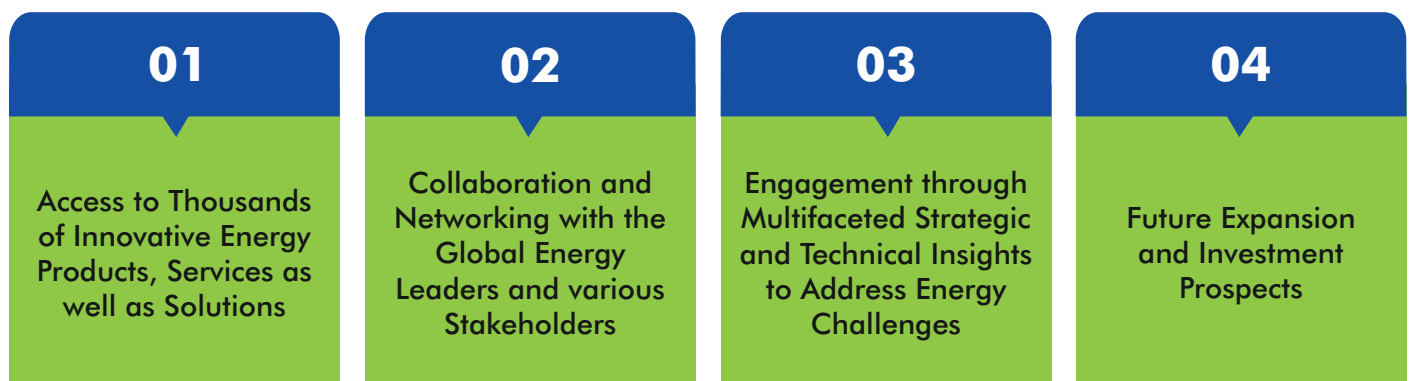


followed by cutting India's emission levels to net zero by 2070, has tremendous possibilities in hand. As, this international energy event in line with the vision of the Government of India and supported by the Federation of Indian Petroleum Industry is set to see a greater partnership from all the Public Sector Units working in the field.

This will also safeguard the interest of millions of Indians who make daily visits to the petrol pumps and get affected by the continued volatility of the global energy market. It will find sustainable clean innovative solutions for this rising energy demand over time with renewable and other responsible energy sources. Thus, some of the important themes in the IEW 2023 concerning to current and future scenario of the global energy market are as under:

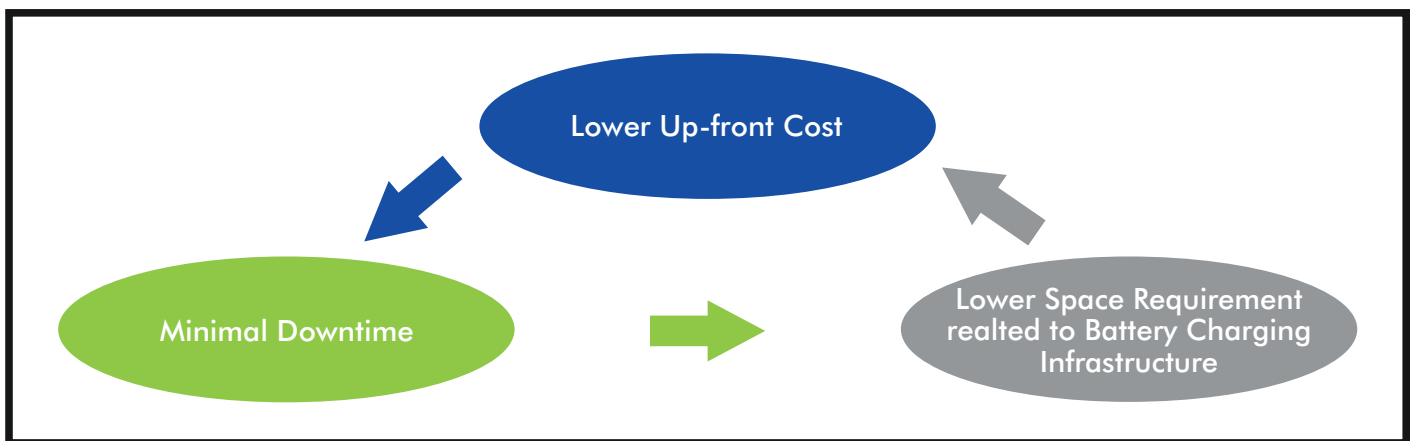


Hence, this will address India's energy transformation system towards energy security through the discovery of new and innovative solutions, technologies and products along with immense learning opportunities from the exhibiting companies from across the sectors such as hydrocarbons, renewables, utilities and power generation, construction, technology, services, academia and government agencies through the knowledge sharing sessions. The major outcomes expected from IEW 2023 are:



Thus, the event is set to develop an international perspective and pour in investment to strengthen India's diversified energy mix that will address energy inequality at a mass level. It will also make a way for achieving Sustainable Development Goals through energy security at the policy and implementation level for a clean and green India while protecting and nurturing its natural ecological system sustainably.

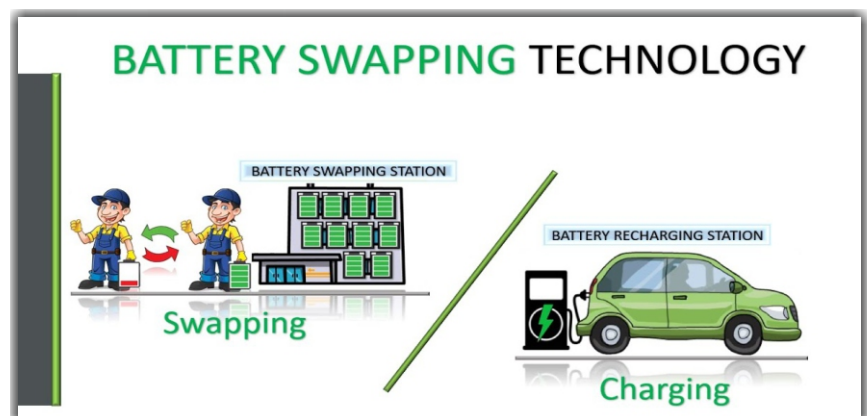
The Government of India has committed to reducing the intensity of its carbon emissions by 45% by 2030 at COP26 in Glasgow. To achieve this target, India needs to revolutionize its adaption of electric vehicles for which inadequate charging infrastructure is one of the major concerns. To address this issue, India's apex think-tank body NITI Aayog has released a draft Battery Swapping Policy that can address the multiple challenges for the demands of electric mobility in India, which are as under:



Battery Swapping is an important concept for the growth of electric vehicles among Indian masses for 2-wheelers and 3-wheelers. As per government statistics, 2-wheelers in India account for more than 70% of total private vehicles in India. The 3-wheelers are also the most reliable mobility solutions for last-mile connectivity here and thus they both have the power to transform the tale of India's fight against climate change significantly.

The draft policy is thus trying to develop a framework for battery swapping and its interoperability along with describing the clear-cut accountability in all the facets. It will be valid till 31<sup>st</sup> March 2025 and will be liable for review and extension as per the decision of the Ministry of Power. The framework is especially used to accelerate the adoption of light electric power-trained vehicles of the L category and e-rickshaws or e-carts along with the other EV segments as per the directions of the Government of India.

The rollout brings an alternative solution to EV charging where the exchange of discharged batteries from charged batteries will take place. It is currently targeting 2w and 3w vehicles of smaller sizes because small battery sizes are easy to swap and significantly cut the cost of a vehicle to make it affordable for the masses.





The objectives of the Battery Swapping Policy to benefit one and all from customers to battery swapping operators, manufacturers, Original Equipment Manufacturers (OEMs), etc are as under:

Promotion of Battery Swapping with Advanced Chemistry Cell Batteries to De link Battery Costs from up-front costs of Evs

Promotion of Battery Swapping as an Alternate to Charging Infrastructure Facility to offer Flexibility to EV Buyers

Establishment of Principles of Technical Standards to Enable Interoperability of Components without Obstructing the Market-led Innovations in Battery Swapping Ecosystem

Unlock the potential of Competitive Financing for the Battery Swapping Ecosystem

Encouragement to Partnerships among Various Stakeholder such as Battery Providers, Battery OEMs, etc to provide Integrated Services to End Users.

Promotion of Better Battery Lifecycle Management especially maximizing the Battery Usage During its Lifetime and recycling after the end of battery Life.

Along with upfront cost reduction, the other major benefits of policy concerning charging infrastructure development for electric vehicles are:



The policy will invent a new business model like 'Battery as a Service' in the sector and find new avenues for businesses through the following ways:



As per the policy document, each swappable battery needs to be assigned a Unique Identification number at the manufacturing stage for better tracking and monitoring. The Bureau of Energy Efficiency has been made responsible to develop an efficient battery-swapping network at the pan-India level. The provision of a single window portal to expedite the license and other approvals digitally within 5 days of application submission is also a welcome step.

Thus, the policy works as a guiding document to transform the EV industry in the country. It is well-equipped to answer multiple bottleneck challenges currently limiting the growth of this sector and

provide a sustainable and innovative alternative solution to the underdeveloped charging infrastructure. This will surely help in smooth transitioning for manufacturers, OEMs as well as customers while promoting a circular economy through the recycling provision of e-waste for the vision of clean India.



## Resources

1. [https://indianrailways.gov.in/railwayboard/uploads/directorate/traffic\\_comm/Freight\\_Marketing\\_2022/GCT%20-2022.pdf](https://indianrailways.gov.in/railwayboard/uploads/directorate/traffic_comm/Freight_Marketing_2022/GCT%20-2022.pdf)
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17. <https://inc42.com/resources/how-battery-swapping-policy-can-accelerate-indias-ev-future/>



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