

## New UP government policy makes EVs more affordable

**Electric cars to get subsidies of up to Rs 1 lakh for the next three years.**

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The Uttar Pradesh government has announced its Manufacturing and Mobility policy 2022, which brings subsidies to all electric vehicles – bikes, scooters, three-wheelers and cars. Under this new policy, the state government is offering subsidies of up to Rs 1 lakh on electric cars for three years from the date of the notification.

- **UP govt aims to attract investment of Rs 30,000 crore**
- **Policy aims to develop charging and battery-swapping stations**
- **100 percent stamp duty reimbursement for battery, EV manufacturers**

## UP government electric vehicle policy details

The UP state government policy covers all types of electric vehicles – private and commercial – when it comes to subsidies. For electric cars, the government has announced a subsidy of 15 percent or up to Rs 1 lakh for the next three years, and to this effect, a budget of Rs 250 crore has been allocated.

Electric bikes and scooters attract subsidies of 15 percent up to Rs 5,000, with an allocated amount of Rs 100 crore. For electric three-wheelers, the government has allocated an amount of Rs 60 crore which will help give a subsidy of 15 percent or up to Rs 12,000.

To further bolster the adoption of EVs, the government has waived the registration fee and road tax for a period of three years from the date of the notification. Additionally, for all electric vehicles manufactured in the state, this discount will continue to prevail for the fourth and fifth year as well.

Coming to commercial vehicles, the government is offering a subsidy of 15 percent up to Rs 20 lakh on electric buses, while for goods carriers the subsidy is slightly lower at 10 percent or up to Rs 10 lakh. However, where they differ from private vehicles is that commercial vehicles can only avail this subsidy once.

Incentivising battery and electric vehicle manufacturers to invest in the state, the government is offering a capital subsidy of 30 percent or up to Rs 1,000 crore, per project. To avail this, however, the project will have to match or exceed an investment of Rs 1,500 crore and the battery manufacturing capability will have to exceed 1 GWh (Gigawatt hour). Electric vehicle and battery manufacturers who do set up their facilities in the state will also get 100 percent stamp duty reimbursement.

To develop charging and battery-swapping infrastructure in the state, the UP government will lease land for ten years at the rate of Rs 1/kWh.