

15% subsidy on factory cost on purchase of two-wheeler EV

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The New Electric Vehicle Manufacturing and Mobility Policy 2022 was cleared by the UP cabinet on October 13, 2022. Transport minister Dayashankar Singh said that the policy could not be implemented for technical reasons but should be executed shortly through a software developed by the National Informatics Centre (NIC).

Transport commissioner VK Sonkia said: "Registration of vehicles and taxes are done through a software. The discount provided in the policy was not included in the software. Now, a new software will be developed by National Informatics Centre, in collaboration with the State Bank of India, to include these aspects of the policy."

The transport department said that an associated circular would be released soon.

The policy states that 15% subsidy will be given on factory cost on purchase of two-wheeler EV, up to a maximum Rs 5,000 per vehicle,

EV OVERDRIVE

► **15% subsidy** on factory cost, up to maximum of **₹5,000 per vehicle**, on purchase of first **2 lakh two-wheeler EVs**

► Up to **₹12,000** subsidy on purchase of **first 50,000 three-wheeler electric vehicles**

► Up to **₹1 lakh** for **first 25,000 four-wheeler EVs**

► Up to **₹20 lakh** per **e-bus** for **first 400 buses**

► **10% subsidy** on factory cost of e-goods carriers, up to **₹1 lakh per vehicle** for **first 1,000 e-goods carriers**

► **100% road tax and registration fee waiver** in all **EV segments** during first **three years** of new policy



applicable to the first two lakh EVs purchased. Similarly, up to a maximum of Rs 12,000 will be provided for three-wheelers, for the first 50,000 EVs. For four-wheelers, a subsidy of up to Rs 1 lakh for the first 25,000 EVs and up to Rs 20 lakh per e-bus for the purchase of the first 400 buses will be provided.

A 10% subsidy will be provided on the factory cost of e-goods carriers, up to Rs 1 lakh per vehicle for the first 1,000 e-goods carriers.

According to the policy, 100% road tax and registration fee will be waived across all segments of EVs for the first three years of the new

policy. The exemption will also be provided in the fourth and fifth years, provided the vehicle has been manufactured in UP.

A maximum of 1,000 e-goods carriers will also be given a subsidy of 10% on factory value of up to Rs 1 lakh per vehicle. The government will also encourage government employees to buy electric vehicles.

"The policy not only aims to develop an eco-friendly transport system in the state, but also to make UP a global hub for manufacturing of electric vehicles, batteries and related equipment," an official said.