

# Rajasthan EV Policy

## Relevant to Auto Business

20<sup>th</sup> July 2021

### Introduction

With a view to endorse the sale of electric vehicles (2-wheelers and 3-wheelers) in Rajasthan, the state government has announced a few incentives which include subsidising the upfront cost of electric vehicles for early adopters and offering them the reimbursement of the state goods and service tax (SGST) depending upon the battery capacity of the vehicle sold. Unlike other states, Rajasthan will offer EV buyers a lumpsum on the basis of the battery capacity of their EV. Vehicles purchased between 1 April, 2021 and 31 March, 2022 and registered till March 2022 will be eligible to receive this grant amount. The electric vehicle must be purchased in Rajasthan itself to receive any of the benefits offered under the purview of the state's EV policy.

### Objectives

The state government of Rajasthan intends to bolster the mass adoption of electric vehicles and seek to ensure that via the provision of subsidies on the upfront cost of EVs for early adopters.

### Salient Features:

- Rs 10,000 will be reimbursed on purchase of 3-wheeler with a battery capacity of 3KWH, Rs 15,000 for 4KWH battery capacity and Rs 20,000 for battery capacity of over 5KW.
- For two-wheelers, this amount is Rs 10,000 for battery capacity of more than 5KWH, Rs 9000 for battery capacity of upto 5KWH, Rs 7000 till 4KWH and Rs 5000 till 2KWH.
- This grant amount shall be payable on all electric two- and three-wheelers, as per their battery capacity and is payable on vehicles purchased from April 1, 2021 to March 31, 2022 and registered till March 2022.
- The district transport department officers have been asked to deposit the SGST benefits in account of purchasers of vehicles within seven days of the purchase.

### Rajasthan EV Policy: One Time Subsidy Offered to Electric Vehicles

E-Two Wheelers			E-Rickshaws, E-Autos, E-Goods Carriers		
Battery Capacity	Subsidy Amount		Battery Capacity	Subsidy Amount	
	₹	\$		₹	\$
< 2 kWh	5,000	67	< 3 kWh	10,000	134
< 4 kWh	7,000	94	< 4 kWh	15,000	201
< 5 kWh	9,000	121	< 5 kWh	17,000	228
> 5 kWh	10,000	134	> 5 kWh	20,000	269

Source : Rajasthan Transport Department

## Conclusion

The new initiative will help boost the sales of EVs thereby decreasing pollution. Also, the permit fee has been waived off on purchase of EVs. Rajasthan has become the latest state to follow Goa, Delhi, Gujarat, Maharashtra, and West Bengal. Subsidies offered by Rajasthan are much lesser than those offered by states like Gujarat.

## Way Forward

The comprehensive policy will be launched soon. This order covers budget announcement, this is not a budget policy, policy is yet to be announced.