

Tamil Nadu

Two year road tax exemption for EV

November 2, 2020

Relevant to Mahindra Electric

Background

- Tamil Nadu, like Delhi, Maharashtra, Karnataka and a few other states, is a traditional automotive manufacturing hub.
- As the state is looking to transform itself into an EV manufacturing and ecosystem hub, this move is aimed in that direction.
- On September 16, Tamil Nadu had announced its EV policy and was the first state to do so.
- The state government aims to build a comprehensive EV ecosystem for which it hopes to attract a cumulative investment of Rs 50,000 crore. Around 1,50,000 new jobs are expected to be created in the new ecosystem.

Tamil Nadu Government Plans

- Tamil Nadu is planning to set up the country's first park exclusively for the electric vehicle production eco-system.
- The state is targeting investments of about Rs 50,000 crore in the EV segment and has announced a series of incentives to attract investments in this space.
- Last year, Tamil Nadu announced a comprehensive EV policy, which gives incentives and subsidies for both supply side and demand side.
- The policy covers the EV ecosystem with incentives to EV charging stations developers and to tap components including battery and cell manufacturing, electric motors, EV powertrains, battery management among others.

Enabling the auto and tech sector

- The automobile and tech sector have invested profusely in Tamil Nadu.
- These investments have facilitated economic growth in the state and have helped it in becoming a flag bearer of the EV infrastructure in India, said Mittal.

- Recently the company has signed MoUs with EV makers and suppliers including Ather Energy, MAHLE Electric, BYD among others.

For Further Reading

1. https://www.business-standard.com/article/economy-policy/tamil-nadu-grants-100-vehicle-tax-waiver-to-evs-plans-dedicated-park-120110201467_1.html
2. <https://www.jagranjosh.com/current-affairs/tamil-nadu-government-announces-100-per-cent-tax-exemption-for-e-vehicles-1604565805-1>
3. <https://www.gktoday.in/current-affairs/tamil-nadu-100-motor-vehicle-tax-exemption-to-evs/>