

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1064
ANSWERED ON 28.07.2023

PROMOTION OF MANUFACTURING AND USE OF ELECTRIC VEHICLES

1064. SHRI G.C. CHANDRASHEKHAR:

Will the Minister of **Heavy Industries** be pleased to state:

- (a) whether Government has taken/proposes to take steps to promote manufacturing and usage of Electric and battery eco-friendly vehicles in the country and if so, the details thereof; and
- (b) in what manner does Government plan to tackle need of batteries and the disposal of batteries, details thereof?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI KRISHAN PAL GURJAR)

(a): Sir, in order to promote manufacturing and usage of electric and battery eco-friendly vehicles in the country, the Government launched the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme in 2015 on pan India basis with an aim to reduce dependency on fossil fuel and to address issues of vehicular emissions. At present, Phase-II of FAME India Scheme is being implemented for a period of 5 years w.e.f. 01st April, 2019 with a total budgetary support of Rs. 10,000 crores. This phase focusses on supporting electrification of public & shared transportation and aims to support, through subsidies, 7090 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e- 2 Wheelers. In addition, creation of charging infrastructure is also supported to address range anxiety among users of electric vehicles.

Further, following steps have been taken by the Government for adoption of electric vehicles in the country:

- i. The Government on 12th May, 2021 approved a Production Linked Incentive (PLI) scheme for manufacturing of Advanced Chemistry Cell (ACC) in the country in order to bring down prices of battery in the country. Drop in battery price will result in cost reduction of electric vehicles.
- ii. Electric Vehicles are covered under Production Linked Incentive (PLI) scheme for Automobile and Auto Components, which was approved on 15th September, 2021 with a budgetary outlay of Rs. 25,938 crore for a period of five years.
- iii. GST on EVs has been reduced from 12% to 5%; GST on chargers/ charging stations for EVs has been reduced from 18% to 5%.
- iv. Ministry of Road Transport & Highways (MoRTH) announced that the battery-operated vehicles will be given green license plates and be exempted from permit requirements.
- v. MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of the EVs.

(b): As per the information received from Ministry of Environment, Forest and Climate Change, Government of India published the Battery Waste Management Rules, 2022 on 24th August, 2022 for environmentally sound management of waste batteries, including EV batteries.

The rules provide Extended Producer Responsibility framework for producers of batteries to recycle/refurbish the waste batteries as per the prescribed timelines. The rules mandate the recyclers to recover the minimum percentage of materials from waste batteries.
