

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1067
ANSWERED ON 28.07.2023

PROMOTION OF MANUFACTURING OF ELECTRIC VEHICLES

**1067. SHRI MOHAMMED NADIMUL HAQUE:
SHRI SURENDRA SINGH NAGAR:**

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

- (a) whether Government has set any State-wise priority deadline for the deployment of ebuses sanctioned under FAME;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether Government has developed a strategic plan to promote the manufacture and use of electric vehicles in the country; and
- (d) if so, provide the details to promote domestic manufacturing and building of R&D capabilities in the electric bus sector under the FAME India scheme, and if not, the reasons therefor?

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

(a) & (b): No Sir. There is no State wise priority deadline for the deployment of e-buses sanctioned under Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) Scheme. However, all the selected cities/STUs for procurement of e-buses have to follow the timeline as given in Expression of Interest (EoI) No. 6(09)/2019-NAB.II (Auto) dated 04th June, 2019 issued by the Ministry of Heavy Industries.

(c) & (d): Sir, in order to promote the manufacture and use of electric 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.
