

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 622
ANSWERED ON 06.02.2024

ELECTRIC VEHICLES

622. SHRI E.T. MOHAMMED BASHEER:

Will the Minister of **HEAVY INDUSTRIES** भारी उद्योग मंत्री be pleased to state:

- (a) whether it has come to the notice of the Government that the consumer constraints are very much with regard to the electric vehicles;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to address the issues of concern for electric vehicles and make it more popular?

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

(a) & (b): Yes Sir, the Government is aware of the consumer constraints with regard to the electric vehicles, the details are as under:

- i. High upfront cost of electric vehicle as compared to corresponding Internal Combustion (IC) engine vehicle.
- ii. Customer anxiety about range of electric vehicle.
- iii. Limited models available in India compared to ICE vehicles especially in Electric car segment.

(c): Following steps have been taken by the Ministry of Heavy Industries for making electric vehicles more popular in the country:

- i. Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India): The Government notified Phase-II of FAME India Scheme initially for a period of 5 years w.e.f. 01st April, 2019 with an outlay of Rs. 10,000 Crore which further enhanced to Rs. 11,500 Crore.
- ii. Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry: The Government on 15th September, 2021 approved the PLI Scheme for Automotive Sector with a budgetary outlay of Rs. 25,938 crores The scheme provides incentives up to 18% for electric vehicles.
- iii. Production Linked Incentive (PLI) scheme, 'National Programme on Advanced Chemistry Cells (ACC) Battery Storage': The Government on 12th May, 2021 approved PLI Scheme for manufacturing of ACC in the country with a budgetary outlay of Rs. 18,100 crore. The scheme envisages to establish a competitive ACC battery manufacturing set up in the country for 50 GWh. Additionally, 5GWh of niche ACC technologies is also covered under the Scheme.

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Further, following initiatives have also been taken up by the Government of India to increase the use of electric vehicles in the country:—

- i. GST on electric vehicles and chargers/ charging stations for electric vehicles has been reduced to 5%.
- ii. Ministry of Road Transport & Highways (MoRTH) announced that battery-operated vehicles will be given green license plates and be exempted from permit requirements.
- iii. MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of EVs.
