

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
DEPARTMENT OF HEAVY INDUSTRY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 120**  
ANSWERED ON 02.02.2021

NATIONAL ELECTRIC MOBILITY MISSION PLAN

120. SADHVI PRAGYA SINGH THAKUR:  
SHRI SUBRAT PATHAK:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES भारी उद्योग एवं लोक उद्यम मंत्री be pleased to state:

(a) the manner in which the Government is committed to its works under the National Electric Mobility Mission Plan (NEMMP) 2020 and the details of the plan of the Government to set up charging sub-stations in all the States for e-vehicles;

(b) the details of the ambitious target for selling six to seven million hybrid and electric vehicles each year after 2022;

(c) the details of various provisions being made by the Government in this regard; and

(d) the manner in which FAME India scheme is providing assistance to the Government under the same?

**ANSWER**

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
(SHRI PRAKASH JAVADEKAR)

**(a) to (d):** The National Electric Mobility Mission Plan (NEMMP) 2020 is a National Mission document providing the vision and the roadmap for the faster adoption of electric vehicles and their manufacturing in the country.

As part of the NEMMP 2020, Department of Heavy Industry formulated a Scheme namely Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles India (FAME-India) Scheme in March, 2015 to promote electric & hybrid vehicle (xEVs) in the country. The Phase-1 of the scheme was available up to 31<sup>st</sup> March, 2019. The Scheme had four focus areas namely Demand Creation, Pilot Project, Technology Development/ R&D and Charging Infrastructure.

Based on outcome and experience gained during Phase-I of FAME India Scheme and after having consultations with all stakeholders, including Industry and Industry Associations, the Government notified Phase-II of FAME India Scheme for a period of three years commencing from 1<sup>st</sup> April, 2019 with a total budgetary support of Rs. 10,000 crore. This phase mainly focuses on supporting electrification of public & shared transportation, and aims to support through demand incentive about 7000 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 under the Scheme.

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Under Demand Creation, the purchaser of electric/hybrid vehicles is given an upfront reduction in purchase price by the dealer at the time of purchase of xEVs.

In the First Phase of the Scheme about 2.8 lakh hybrid and electric vehicles were supported by way of demand incentive amounting to about Rs 359 crore. Further, 425 electric and hybrid buses, as sanctioned under first phase of the scheme, are deployed across various cities in the country with Government Incentive of about Rs. 280 Cr. The Department of Heavy Industry had also sanctioned about 520 Charging Stations/ Infrastructure for Rs. 43 Crore (approx.) under Phase-I of FAME-India Scheme.

Under Phase-II of FAME India Scheme, 46,338 Electric Vehicles have been supported till 27.01.2021 by way of Demand Incentive amounting to about Rs. 143 Cr. Further, 6265 electrical buses have been sanctioned to various State/ City Transport Undertakings under Phase-II of the Scheme. This involves Government incentive of around Rs. 3000 Cr.

Department of Heavy Industry has also sanctioned 2,877 Electric Vehicles (EVs) Charging Stations amounting to Rs 500 Crore (Approx.) in 68 cities across 25 States/UTs under FAME India (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles in India) scheme phase II.

Further, following initiatives have also been taken up by the Government of India to promote the use of electric/ hybrid vehicles in the country –

- (i) GST on electric vehicles has been reduced from 12% to 5%; GST on chargers/ charging stations for electric vehicles has been reduced from 18% to 5%.
- (ii) Ministry of Power has allowed sale of electricity as ‘service’ for charging of electric vehicles. This would provide a huge incentive to attract investments into charging infrastructure.
- (iii) The Government, vide S.O. 5333(E) dated 18th October, 2018, has also granted exemption to the Battery Operated Transport Vehicles and Transport Vehicles running on Ethanol and Methanol fuels from the requirements of permit.
- (iv) In the budget of 2019-20, the Hon’ble Finance Minister announced provision of additional income tax deduction of Rs 1.5 lakh on the interest paid on loans taken to purchase electric vehicles.

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