

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1567
ANSWERED ON 07.12.2021

PROMOTION OF ELECTRIC VEHICLES

1567. SHRI BENNY BEHANAN:

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

- (a) whether the Government proposes to encourage automakers to promote electric vehicles in the country as the prices of petrol/diesel are going up;
- (b) if so, the details thereof;
- (c) whether any subsidy/incentive has been proposed for automakers; and
- (d) if so, the details thereof?

ANSWER

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

(a) & (b): Yes Sir, the Ministry of Heavy Industries encourages automakers to promote electric vehicles. The Ministry formulated a Scheme namely Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme in 2015 to promote adoption of electric/ hybrid vehicles (xEVs) in the country with an aim to reduce dependency on fossil fuels. 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 initiatives have also been taken up by the Government of India for promotion of electric 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 released a notification on charging infrastructure standards permitting private charging at residences and offices.
- (iii) Ministry of Road Transport & Highways (MoRTH) announced that battery-operated vehicles will be given green license plates and be exempted from permit requirements.
- (iv) MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of EVs.
- (v) Ministry of Housing & Urban Affairs (MoHUA) amended the Model Building Byelaws 2016 to establish charging stations and infrastructure in private and commercial buildings.

(c) & (d): The Government has notified the Production Linked Incentive (PLI) scheme for Automobiles and Auto Components to incentivise the manufacturers of electric vehicles and Hydrogen Fuel Cell vehicles. Also under the scheme, manufacturers of Advanced Automotive Technology Products will be incentivised. The scheme is a sales value linked incentive scheme.
