

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 3696
ANSWERED ON 21.12.2021

TARGET FOR ELECTRIC VEHICLES

**3696. SHRI Y.S. AVINASH REDDY:
SHRIMATI VANGA GEETHA VISWANATH:
SHRI KOTHA PRABHAKAR REDDY:
SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH:**

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

- (a) whether the Government has any plan to increase the Electric Vehicles (EV) to reduce carbon in all over the country, if so, the details thereof;
- (b) whether the Government aims to have Electric Vehicles sales accounting for 30 per cent of private cars, 70 per cent for commercial vehicles and 80 per cent for two and three wheelers by 2030 as there is an immediate need to decarbonise the transport sector;
- (c) if so the details thereof and the steps being taken by the Government in this regard;
- (d) whether the Government agrees that it is the right time to introduce maximum EV as petrol and diesel cost are very high, if so, the details thereof; and
- (e) the steps taken by Government to support EV manufacturing companies and consumers?

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

(a) to (d): Sir, in order to promote manufacturing and adoption of electric vehicle in India, 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 demand incentive for electric two wheelers has been increased to Rs. 15,000/KWh from Rs. 10,000/KWh with an increase in cap from 20% to 40% of the cost of vehicle from 11th June, 2021, thus enabling cost of Electric two wheelers at par with that of ICE two wheeler vehicles.

(ii) 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.

(iii) 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.

(iv) 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%.

(v) Ministry of Road Transport & Highways (MoRTH) announced that battery-operated vehicles will be given green license plates and be exempted from permit requirements.

(vi) MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of EVs.

(e): Sir, under Phase-II of FAME-India Scheme, incentives are provided to buyers of electric vehicles in the form of an upfront reduction in the purchase price of electric vehicles. Further, following two Production Linked Incentive (PLI) schemes are being implemented by the Ministry of Heavy Industries:

(i) The union cabinet on 12th May, 2021 approved a Production Linked Incentive (PLI) Scheme for setting up manufacturing facilities for Advance Chemistry Cell (ACC), Battery Storage in India, with a total manufacturing capacity of 50 Giga Watt Hour (GWh) and with an outlay of Rs. 18,100 crores for 5 years.

(ii) Government has approved the Production Linked Incentive (PLI) Scheme for Automobile and Auto Components Industry in India for enhancing India's Manufacturing Capabilities for Advanced Automotive Products with a budgetary outlay of Rs. 25,938 crores over a period of five years.
