

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2664
ANSWERED ON 02.08.2022

PROMOTION AND USE OF ELECTRIC VEHICLES

2664. SHRI KANAKMAL KATARA:

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

- (a) the steps taken by the Government to promote the use of electric vehicles in Rajasthan including Banswara - Durgapur Parliamentary Constituency having a tribal dominated population;
- (b) whether the Government is insisting the electric vehicle manufacturing companies to reduce the prices and if so, the details thereof regarding the points on which talks were held; and
- (c) whether the Government proposes to make electric vehicles available on low cost on the lines of Tata Nano car or provide any special discount and if so, the details thereof?

ANSWER

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

(a) to (c): Sir, in order to promote manufacturing and usage of electric 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 (including Rajasthan, Banswara - Durgapur Parliamentary Constituency) 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 also incentivised 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.
