

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY

LOK SABHA
UNSTARRED QUESTION No. 4393
TO BE ANSWERED ON 08.01.2019

Electric Vehicles

4393. SHRI RAKESH SINGH:

Will the Minister of HEAVY INDUSTRIES & PUBLIC ENTERPRISES be pleased to state:

- (a) whether any policy has been formulated regarding electric vehicles in the country;
- (b) whether the present policy is not at par with the global standards;
- (c) whether there is need to make changes in the present policy;
- (d) if so, the details thereof; and
- (e) whether the Government proposes to take appropriate steps to promote the use of eco-friendly vehicles in the country?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI BABUL SUPRIYO)

(a) to (e): In 2011-12, Government of India had launched a National Mission on Electric Mobility (NMEM). Subsequently, under the mission, a vision document NEMMP 2020 (National Electric Mobility Mission Plan) was formulated and launched in the year 2013. The NEMMP 2020 laid the vision and provides the roadmap for achieving significant penetration of efficient and environmentally friendly electric vehicle (including hybrids) technologies (xEVs) in India by 2020.

In fact, the NEMMP 2020 was based on a detailed study after wide-ranging deliberations and consultations involving all stakeholders from Government, Industry, academia, research associations and considering the extensive knowledge of developments around the world.

Subsequently, as part of this Mission Plan, the Government notified FAME India Scheme [Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicles in India] in the year 2015, initially for a period of 2 year from 1st April 2015 to 31st March 2107, which was extended further till 31st March 2019. The Scheme has four focus areas namely Demand Creation, Pilot Project, Technology Development/ R&D and Charging Infrastructure.

To promote use of Electric Vehicles (EVs), the buyer of electric/hybrid vehicles is given an upfront reduction in purchase price by the dealer at the time of purchase of xEVs under Demand Creation focus area of the scheme. So far, about 2.60 lakh XEVs have been supported through demand incentive under the scheme. Further, under new GST regime Electric Vehicles are kept in the lower bracket of 12% GST rate (with no Cess) as against the 28% GST rate with Cess up to 22% for conventional vehicles.

The Phase-I of the FAME-India Scheme has been successful so far and the learnings from the scheme have been woven into the second phase of the proposed scheme. The Phase-II of the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME-India) Scheme proposes to give a push to electric vehicles (EVs) in public transport and seeks to encourage adoption of EVs by way of market creation and demand aggregation. The draft scheme has envisaged the holistic growth of EV industry, including providing for charging infrastructure, research and development of EV technologies and push towards greater indigenization. The scheme has not been finalized yet.
