

**HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY**

**LOK SABHA
STARRED QUESTION No. 239
TO BE ANSWERED ON 09.07.2019**

Promotion of Electric Vehicles

239. DR. ALOK KUMAR SUMAN:

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

- (a) whether the Government has taken steps to promote the manufacturing of electric vehicles in the country;
- (b) if so, the details thereof;
- (c) the number of electric vehicles sold during the last two years;
- (d) whether the Government is providing any subsidy to the consumers to purchase electric vehicles in the country; and
- (e) if so, the details thereof?

ANSWER

**THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI ARVIND GANPAT SAWANT)**

(a) to (e): A statement is laid on the Table of the House.

STATEMENT

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 239 for 09.07.2019 asked by Dr. Alok Kumar Suman Hon'ble MP regarding "Promotion of Electric Vehicles"

(a) to (e): Yes, Sir. In order to promote manufacturing of electric and hybrid vehicle (xEV) and to ensure sustainable growth of the same, Government notified a scheme namely Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India [FAME India Scheme] Phase-I w.e.f. 1st April 2015 for a period of 2 years with a total outlay of Rs.795 Crore. This scheme was further extended till 31st March 2019 with the total outlay enhanced to Rs. 895 Crore. Under the scheme, demand incentive was available to buyers of electric & hybrid vehicles (xEV) in the form of an upfront reduced purchase price to enable wider adoption. About 2.78 lakh vehicles were supported under this scheme by way of extending demand incentives of Rs. 343 Crore [Approx]. As pilot project, 465 buses were also sanctioned to various cities / states under this phase of the scheme. In addition, several projects under Technology Platform and Charging Infrastructure were also sanctioned in this phase.

Based on outcome and experience gained during the Phase-I of FAME India Scheme and after having consultations with all stakeholders including Industry and Industry Associations, Department of Heavy Industry notified the Phase-II of FAME India Scheme on 8th March 2019, which is for a period of three years commencing from 1st April 2019 with a total budgetary support of Rs. 10,000 crore. This phase will mainly focus on supporting electrification of public & shared transportation, and aims to support about 7000 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers through demand incentives. In addition, creation of charging infrastructure will be supported in selected cities and along major highways to address range anxiety among users of electric vehicles.

Various other initiatives which were also taken by the Government to promote electric mobility in the country are as mentioned hereunder –

- (i) Under new GST regime, the rates of GST on Electric Vehicles has been kept in the lower bracket of 12% (with no Cess) as against the 28% GST rate with Cess up to 22% for conventional vehicles.
- (ii) Ministry of Power has allowed sale of electricity as 'service' for charging of electric vehicles. This would serve as an incentive to attract investments into charging infrastructure.
- (iii) Ministry of Road Transport Highways issued notification regarding exemption of permit in case of battery operated commercial vehicles.

The details of xEVs, category-wise, supported through FAME India Scheme in the last two years are given below : -

S.No.	Type of Vehicle	2017-18	2018-19	Total
1.	Two Wheler (2W)	54833	77205	132038
2.	Three Wheeler (3W)	367	1833	2200
3.	Four Wheeler (4W)	1731	2066	3797
Total		56931	81104	138035

Under Phase-II of FAME India Scheme, incentive is being extended to the consumer for purchase of electric vehicles, which is calculated based on the battery capacity of all eligible vehicles i.e. Rs. 10,000/KWh for all vehicles except e-Buses, for which the incentive is Rs. 20,000/KWh. Detailed framework of incentive for each category of vehicle is stated in FAME Scheme Notification [S.O. No.1300(E) dated 8th March 2019], which is available at Department website (www.dhi.nic.in).
