

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

RAJYA SABHA
UNSTARRED QUESTION NO. 3881
TO BE ANSWERED ON 14.08.2014

Withdrawal of subsidy on electric cars

3881. DR. CHANDAN MITRA:
SHRI BAISHNAB PARIDA:

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

- (a) whether Government proposes to put on road six-seven million electric cars and two-wheelers by 2020;
- (b) if so, the details thereof along with the strategy chalked out to increase consumer confidence and provide greater acceptability for electric cars;
- (c) whether Government has withdrawn the subsidy on electric cars, if so, the reasons therefor; and
- (d) the steps taken by Government to introduce a clear policy to promote electric cars and also provide for requisite infrastructure by setting up charging stations for electric vehicles all over the country especially in Madhya Pradesh?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND
PUBLIC ENTERPRISES (SHRI PON. RADHAKRISHNAN)**

(a) & (b): Yes, Sir. A Scheme under the National Electric Mobility Mission 2020 has been proposed for EFC and Cabinet. The scheme is to be approved by EFC and cabinet.

The Mission plan projects a potential for 6-7 million units of new vehicles sales of xEVs, along with resultant fuel savings of 2.2 - 2.5 million tonnes that can be achieved by 2020. The purpose of the scheme is to encourage faster adoption (market creation & related activities), domestic technology development (Research & Development) and manufacturing of full range of cleaner electric vehicle technologies that include mild hybrid, full hybrid vehicles (HEVs), Plug in Hybrids (PHEVs) and Pure Electric Vehicles (BEVs) (collectively termed as xEVs) thereby leading to creation of a strong, globally competitive, viable & self-sustaining electric vehicle industry and its eco system in India.

The Mission Plan 2020 envisages demand incentive scheme for faster adoption of Electric Vehicles. An inclusive approach has been proposed in the scheme and all vehicle segments come under the purview of the incentive scheme, along with the complete range of electric and hybrid vehicles (Mild, Strong, Plug-in, BEV variants are covered). The scheme proposes a comprehensive approach which includes providing charging infrastructure, development of indigenous technology, capacity creation and supply side measures to increase confidence and provide greater acceptability for electric car and other vehicles.

(c): During 2010-12, the Ministry of New and Renewable Energy (MNRE) had implemented an Alternate Fuels for Surface Transportation Program (AFSTP), at a total expenditure of Rs.95 crore. Incentive was provided to OEMs for EVs. The MNRE scheme was a limited intervention and was not designed to catalyze any major vehicle or component development activity by the industry i.e. components of technology, charging infrastructure, and supply side interventions were not covered.

(d): A Scheme under the National Electric Mobility Mission 2020 has been proposed for EFC and Cabinet. The Mission is designed as a comprehensive program of activities. The major set of activities are: Market Creation through Incentives Scheme (including retrofitting of in-use vehicles); Projects for Pilot Demonstration Fleet; Scheme for Public Charging Infrastructure and Charging Standard; and Technology Platform Development (including vehicle testing and homologation infrastructure). The scheme will cover all states including Madhya Pradesh and union territories of the country.
