

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2268
ANSWERED ON 20.12.2022

ELECTRIC VEHICLES

2268. SHRI E.T. MOHAMMED BASHEER:

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

- (a) whether the Government is aware of the consumer constraints with regard to the electric vehicles and if so, the details thereof; and
- (b) the steps taken by the Government for making electric vehicles more popular?

ANSWER

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

(a) & (b): Yes Sir, the Government is aware of the consumer constraints with regard to the electric vehicles, the details are as under:

- (i) High upfront cost of electric vehicle as compared to corresponding Internal Combustion (IC) engine vehicle.
- (ii) Customer anxiety about range of electric vehicle.
- (iii) Limited models available in India compared to ICE vehicles especially in Electric car segment.

Following steps have been taken by the Government for making electric vehicles more popular in the country:

- i. Under FAME-India Scheme Phase-II, the demand incentive for electric two wheelers has been increased to Rs. 15,000/KWh from Rs. 10,000/KWh along with an increase in cap from 20% to 40% of the cost of electric vehicle with effect from 11th June, 2021.
- ii. The Government on 12th May, 2021 approved a Production Linked Incentive (PLI) scheme for manufacturing of Advanced Chemistry Cell (ACC) in the country which will lead to lowering the prices of battery in the country along with a consequent drop in the cost of electric vehicles. Further, the PLI Scheme for Automobile and Auto Component was notified on 23rd September, 2021 also has the provision for incentivizing Electric Vehicles.
- iii. 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%.
- iv. Keeping in view the need for promoting electric mobility and alternate fuels, the Ministry of Road Transport and Highways, vide notification issued on October 18, 2018, has exempted Battery Operated Vehicles, from the requirement of permit for carrying passengers or goods.
