

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 869
ANSWERED ON 07.02.2023

SCHEMES FOR PROMOTION OF ELECTRIC VEHICLES

**869. SHRI RAVINDRA KUSHWAHA:
SHRI RAVI KISHAN:
SHRI GAJENDRA SINGH PATEL:**

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

- (a) the details of various schemes being implemented by the Government to promote electric vehicles;
- (b) the details of the financial assistance being provided to promote electric vehicles in the State of Madhya Pradesh;
- (c) whether the Government is contemplating to increase the number of charging stations in the country;
- (d) the details of efforts being made in rural areas with regard to above scheme; and
- (e) whether the Government has formulated any policy to provide the facility of replacement of batteries at the charging stations itself or battery swapping policy with a view to promote electric vehicles and if so, the details thereof?

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

- (a):** Sir, following three schemes are being implemented by the Ministry of Heavy Industries to promote electric vehicles in the country: -
- i. The Government notified Faster Adoption and Manufacturing of Electric Vehicles in India Phase II (FAME India Phase II) Scheme for a period of five years commencing from 1st April, 2019 to reduce dependency on fossil fuel and to address issues of vehicular emissions with a total budgetary support of Rs. 10,000 crore. This phase aims to generate demand by way of supporting 7090 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars (including Strong Hybrid) and 10 lakh e-2 Wheelers.
 - ii. Production Linked Incentive (PLI) Scheme for Automotive Sector: The Government on 15th September, 2021 approved the PLI Scheme for Automotive Sector with a budgetary outlay of Rs. 25,938 crores. The Production Linked Incentive (PLI) Scheme for Automobile and Auto components proposes financial incentives to boost domestic manufacturing of Advanced Automotive Technology products and attract investments in the automotive manufacturing value chain. The scheme provides incentives up to 18% for electric vehicles.
 - iii. PLI Scheme for Advanced Chemistry Cell (ACC): The Government on 12th May, 2021 approved PLI Scheme for manufacturing of ACC in the country with a budgetary outlay of Rs. 18,100 crore. The scheme envisages to establish a competitive ACC battery manufacturing set up in the country for 50 GWh. Additionally, 5 GWh of niche ACC technologies is also covered under the Scheme.

(b): The FAME-India Scheme phase-II is being implemented on pan India basis including the State of Madhya Pradesh. Under this scheme, incentives are provided to buyers of electric vehicles in the form of an upfront reduction in the purchase price of electric vehicles. The incentive is linked to battery capacity i.e. Rs. 10,000/KWh for e-3W and e-4W with a cap 20% of the cost of vehicle. Further, the incentive/ subsidies for e-2W 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 w.e.f. 11th June, 2021.

(c): Yes Sir, under phase-II of FAME-India Scheme, Rs. 1000 Cr. is allocated for the development of charging infrastructure for electric vehicles in the country. The Ministry has sanctioned 2,877 electric vehicle charging stations in 68 cities across 25 states/UTs. Further, 1576 charging stations across 9 Expressways and 16 Highways under phase-II of FAME India Scheme has also been sanctioned.

(d): The FAME-India Scheme phase-II is being implemented on pan India basis including rural areas of the country.

(e): Sir, NITI Aayog has uploaded a draft policy on their website for stakeholders' consultation for implementing the battery swapping policy. With battery swapping policy, faster adoption of EVs will take place which will increase public confidence in EVs.

Battery swapping is generally used for smaller vehicles such as 2Ws and 3Ws with smaller batteries that are easier to swap, compared to 4 wheelers and e-buses, although solutions are emerging for the latter segments as well. Battery swapping offers three key advantages relative to charging: it is time, space, and cost efficient, provided each swappable battery is actively used.
