

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2003
ANSWERED ON 01.08.2023

EV MANUFACTURING UNITS

2003. SHRI SHYAM SINGH YADAV:

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

- (a) whether the Government has identified the places/areas in the State of Uttar Pradesh to open Electric Vehicles (EVs) manufacturing units;
- (b) if so, the details thereof and the targeted jobs to be generated by the setting up of these units; and
- (c) if not, the reasons therefor?

ANSWER

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

(a) to (c): No Sir. The Ministry of Heavy Industries does not set up any Electric Vehicles (EVs) manufacturing units, itself. However, in order to promote manufacturing and usage of electric and battery eco-friendly vehicles in the country, the Government launched the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme in 2015 on pan India basis with an aim to reduce dependency on fossil fuel and to address issues of vehicular emissions. At present, Phase-II of FAME India Scheme is being implemented for a period of 5 years w.e.f. 01st April, 2019 with a total budgetary support of Rs. 10,000 crores.

Further, following steps have been taken by the Government for adoption of electric vehicles in the country:

- i. The Government on 12th May, 2021 approved a Production Linked Incentive (PLI) scheme for manufacturing of Advanced Chemistry Cell (ACC) in the country in order to bring down prices of battery in the country. Drop in battery price will result in cost reduction of electric vehicles. It is estimated that the scheme will generate 2.70 lakhs (Direct: Indirect :: 1:4) of employment during the scheme period.
- ii. Electric Vehicles are covered under Production Linked Incentive (PLI) scheme for Automobile and Auto Components, which was approved on 15th September 2021 with a budgetary outlay of Rs. 25,938 crore for a period of five years. This scheme will help in generating additional employment of more than 7.5 lakh during its tenure.
- iii. GST on EVs has been reduced from 12% to 5%; GST on chargers/ charging stations for EVs has been reduced from 18% to 5%.
- iv. Ministry of Road Transport & Highways (MoRTH) announced that the battery-operated vehicles will be given green license plates and be exempted from permit requirements.
- v. MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of the EVs.
