

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES  
LOK SABHA  
UNSTARRED QUESTION NO. 4180  
ANSWERED ON 29.03.2022

**PRODUCTION OF PASSENGER VEHICLES**

**4180. SHRI KANUMURU RAGHU RAMA KRISHNA RAJU:**

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

- (a) whether the Government proposes to make it mandatory that out of the total production of Passenger Vehicles 30 percent should be as Electric Vehicles so as to save crucial foreign exchange as well as stop out flow of balance of payments towards import of crude oil;
- (b) if so, the details thereof; and
- (c) the details of road map prepared in this regard in view of the fact that several countries have already made it compulsory to produce only Electric Vehicles in future?

**ANSWER**

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

**(a) to (c):** No Sir, there is no such proposal under the consideration in the Ministry of Heavy Industries. However, following steps have been taken by the Government for adoption of electric vehicles in the country:-

1. The Ministry of Heavy Industries formulated the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme in 2015 to promote adoption of electric/hybrid vehicles (xEVs) in the country. At present, Phase-II of FAME India Scheme is being implemented for a period of 5 years w.e.f. 01<sup>st</sup> April, 2019 with a total budgetary support of Rs. 10,000 crores.
2. The Government on 12<sup>th</sup> May, 2021 approved the 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 with an outlay of Rs. 18,100 crore.
3. Electric Vehicles are covered under Production Linked Incentive (PLI) scheme for Automobile and Auto Components, which was approved on 15<sup>th</sup> September, 2021 with a budgetary outlay of Rs. 25,938 crore for a period of five years.
4. 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%.
5. Ministry of Road Transport & Highways (MoRTH) announced that battery-operated vehicles will be given green license plates and be exempted from permit requirements.
6. MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of EVs.

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