

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 4210
ANSWERED ON 29.03.2022

DECARBONIZATION OF AUTOMOBILE SECTOR

**4210. SHRIMATI SANGEETA KUMARI SINGH DEO:
DR. JAYANTA KUMAR ROY:**

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

- (a) whether the Government has any plan for decarbonization of the automobile/transportation sector and if so, the details thereof;
- (b) the details of preparedness of Automotive Industry for meeting India's commitment at COP 26;
- (c) whether the Government is making any efforts in greening the automotive/transportation sector in the country; and
- (d) if so, the other steps being taken by the Government in this regard?

ANSWER

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

(a) to (d): To promote clean vehicles, following steps have been taken:-

1. The Ministry of Heavy Industries formulated a scheme Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) 2015 for promoting 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. 01st April, 2019 with a total budgetary support of Rs. 10,000 crores.
2. The Government on 12th 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. The PLI scheme for Automobile and Auto Components was approved on 15th September, 2021 with a budgetary outlay of Rs. 25,938 crore for a period of five years. The scheme provides incentives upto 18% for Electric and Hydrogen Fuel Cell Vehicles.
4. GST on electric vehicles have been reduced from 12% to 5%; GST on chargers/ charging stations for electric vehicles have 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.
