

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1230
ANSWERED ON 11.02.2022

MANUFACTURING OF ELECTRIC VEHICLES

1230. SHRI SATISH CHANDRA DUBEY:

Will the Minister of **Heavy Industries** be pleased to state:

- (a) whether Government has taken any steps for the manufacturing of electric vehicles;
- (b) if so, the details thereof;
- (c) the number of electric vehicles sold during the last two years; and
- (d) whether Government is giving any subsidy to the customers for buying electric vehicles in the country, if so, the details thereof?

ANSWER

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

(a) & (b): Yes Sir, the Ministry of Heavy Industries formulated a Scheme namely 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. 01st April, 2019 with a total budgetary support of Rs. 10,000 crores. This phase focusses on supporting electrification of public & shared transportation and aims to support, through subsidies, 7090 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2Wheelers.

In addition, creation of charging infrastructure is also supported to address range anxiety among users of electric vehicles.

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

- i. The demand incentive for electric two wheelers 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 from 11th June, 2021, thus enabling cost of Electric two wheelers at par with that of ICE two wheeler vehicles.
- ii. 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.
- iii. 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.
- iv. 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%.

- v. Ministry of Road Transport & Highways (MoRTH) announced that battery-operated vehicles will be given green license plates and be exempted from permit requirements.
- vi. MoRTH issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of EVs.

(c): Ministry of Road Transport and Highways has informed that as per e-vahan portal, the details of electric vehicles registered in the country over the last two years is as under:

Sl. No.	Year	No. of electric vehicles
1.	2020	1,19,647
2.	2021	3,11,341
Total		4,30,988

(d): Sir, under FAME-India 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.
