GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1681
ANSWERED ON 13.02.2026

PROMOTION OF ELECTRIC VEHICLES IN VIEW OF RISING POLLUTION LEVELS IN MAJOR CITIES

1681. DR. M. THAMBIDURAI:

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

(a) the steps being taken by Government to promote Electric Vehicles (EVs) in view of rising pollution levels in major cities;

(b) whether Government proposes to reduce the overall cost of EVs, including battery costs, to make them more affordable for the public;

(c) the number of public EV charging stations installed so far and the targets set for the next three years;

(d) whether Government plans to support the development of long-range EV batteries and associated technologies; and

(e) the details of schemes launched to encourage higher adoption of EVs across the country?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a) & (e): The following measures have been taken by Government to promote Electric Vehicles (EVs) in view of rising pollution levels in major cities :-

1. The Ministry of Heavy Industries (MHI) has implemented following schemes : -

(i) **Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme Phase-II**: The Government implemented this scheme for a period of five years from 01.04.2019 to 31.03.2024 with a total budgetary support of Rs.11,500 crore. The scheme provided demand incentive for e-2Ws, e-3Ws, e-4Ws and grant for e-buses and setting up of EV public charging stations (EV PCS). FAME-II has supported the sale of approximately 16.71 lakh electric vehicles including e-2Ws, e-3Ws and e-4Ws and 6,862 e-buses were sanctioned for various cities out of which 5,195 e-buses have been deployed as on 07.02.2026.

(ii) **Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India (PLI-Auto):** The Government notified this scheme for Automobile and Auto Component Industry in India, on 23.09.2021, for enhancing India's manufacturing capabilities for Advanced Automotive Technology (AAT) products, including EVs, with a budgetary outlay of Rs.25,938 crore.

(iii) **Production Linked Incentive (PLI) Scheme for National Programme on Advanced Chemistry Cell (ACC) Battery Storage :** The Government on 09.06.2021 notified the PLI Scheme for manufacturing of ACC in the country with a budgetary outlay of Rs.18,100 crore. The scheme aims to establish a competitive domestic manufacturing ecosystem for 50 GWh of ACC batteries.

(iv) **PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM EDRIVE) Scheme:** This scheme with an outlay of Rs.10,900 crore has been notified on 29.09.2024. This scheme supports incentivization of approximately 28.27 lakh electric vehicles (EVs) including e-2W, e-3W, e-Trucks, e-buses and e-Ambulances. Further, EV public charging stations (EV PCS) and upgradation of testing agencies is also included in this scheme. An allocation of Rs.4,391 crore has been made under the scheme for deployment of 14,028 e-buses out of which 13,800 e-buses have been allocated in seven cities having four million plus population including Delhi, Bengaluru, Hyderabad, Mumbai, Ahmedabad, Pune and Surat.

(v) **PM e-Bus Sewa-Payment Security Mechanism (PSM) Scheme**: This Scheme notified on 28.10.2024, has an outlay of Rs.3,435.33 crore and aims to support deployment of more than 38,000 electric buses. The objective of this scheme is to provide payment security to e-bus operators in case of default by Public Transport Authorities (PTAs).

(vi) **Scheme for Promotion of Manufacturing of Electric Passenger Cars in India (SPMEPCI)** was notified on 15th March, 2024 to promote the manufacturing of electric cars in India. This requires applicants to invest a minimum of Rs.4,150 crore and to achieve a minimum DVA of 25% at the end of the third year and DVA of 50% at the end of the fifth year.

(b): Yes, the Government has taken following steps to reduce the overall cost of electric vehicles, including battery costs, to make EVs affordable for the public :

(i) Direct Subsidies: Upfront demand incentives under PM E-DRIVE to reduce the purchase price for consumers.
(ii) Tax Benefits: GST on electric vehicles has been reduced from 12% to 5%, and on chargers/charging stations from 18% to 5%. Additionally, States have been advised to waive road tax and registration fees.
(iii) Domestic Manufacturing: The PLI-ACC and PLI-Auto schemes aim to lower costs by creating economies of scale and reducing dependency for advanced chemistry battery cells and EVs & EV components, respectively, by providing sales linked subsidy to manufacturers.

Through these combined measures, the Government is actively addressing the higher cost of EVs and working towards making them affordable.

(c): As per inputs received from BHEL, total 29,151 EV public charging stations (EVPCS) have been installed in the country. No such targets have been fixed, however, an allocation of Rs.2,000 crore has been made under the PM E-DRIVE Scheme for deployment of adequate number of EVPCS on pan India basis.

(d): Government is supporting the development of long-range EV batteries through PLI-ACC scheme which has an allocation of Rs.18,100 crore to support sales of Advanced Chemistry Cell (ACC).

Battery management system (BMS) is included as an eligible product under PLI-Auto scheme.

Traction battery pack is a mandatory component under phased manufacturing programme (PMP) of FAME-II and PM E-DRIVE schemes.

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