GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1562
ANSWERED ON 28.07.2026

EV POLICY

1562. SHRI CHAMALA KIRAN KUMAR REDDY:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

(a) whether EV Policy goes beyond purchase incentives, laying out a clear road map for structural reforms and strengthening the institutional framework in the transport sector and sets structural roadmap for clean mobility, if so, the details thereof;

(b) the details of budgetary allocation for its implementation and an overall investment outlay aimed at accelerating the transition to electric mobility through a mix of incentives and 70 infrastructure expansion;

(c) whether the new policy is more comprehensive and will gradually transform the entire transport system towards electric mobility; and

(d) if so, the details thereof including present targets set/achieved for 2047, State-wise along with funds sanctioned, spent and policy decisions taken by States especially Telangana?

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

(a): Yes. While demand-side schemes like **FAME-II** and **PM E-DRIVE** focus on reducing upfront costs, the institutional framework is strengthened through supply-side **Production Linked Incentive (PLI)** schemes for the Automobile and Advanced Chemistry Cell (ACC) sectors, which mandate high technology adoption and **Domestic Value Addition (DVA).** Furthermore, the **Phased Manufacturing Programme (PMP)** establishes a structural roadmap for indigenisation by requiring the domestic manufacturing of critical EV components over time.

(b): The transition is supported by substantial budgetary allocations aimed at simultaneous market creation and infrastructure expansion. The **FAME-II scheme** concluded with a total outlay of **₹11,500 crore,** while the successor **PM E-DRIVE scheme** has been launched with an allocation of **₹10,900 crore**. To bolster the manufacturing ecosystem, the **PLI-Auto scheme** features a budgetary outlay of **₹25,938 crore,** and the **PLI-ACC scheme** provides **₹18,100 crore.**

(c): Yes, the new policies are comprehensive. They address demand as well as supply side of manufacturing of EVs.

(d): The Central Government has not fixed any specific target for the number of Electric Vehicles (EVs) on the road by 2047. However, it is promoting EV adoption through various schemes, namely FAME India Scheme Phase-II (₹11,500 crore), PLI Scheme for Automobile and Auto Components (₹25,938 crore), PLI Scheme for Advanced Chemistry Cell (ACC) Battery Storage (₹18,100 crore), PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme (₹10,900 crore), PM e-Bus Sewa–Payment Security Mechanism (PSM) Scheme (₹3,435.33 crore) and the Scheme for Promotion of Manufacturing of Electric Passenger Cars in India (SPMEPCI). Several States, including Telangana, have also notified dedicated EV policies to complement these initiatives. The schemes of the Ministry of Heavy Industries are demand-driven and, therefore, no State-wise allocation of funds is made.

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