

**HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY**

**RAJYA SABHA
UNSTARRED QUESTION No. 2431
TO BE ANSWERED ON 15.07.2019**

Adoption of hybrid and electric vehicles

2431. DR. VIKAS MAHATME:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) the percentage of personal vehicles which are hybrid or electric, currently in use, State-wise; and
- (b) the steps being taken to promote adoption of hybrid and electric vehicles among public?

ANSWER

**THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI ARVIND GANPAT SAWANT)**

(a) & (b): In order to promote manufacturing of electric and hybrid vehicle (xEV) and to ensure sustainable growth of the same, Government notified a scheme namely Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India [FAME India Scheme] Phase-I w.e.f. 1st April 2015 for a period of 2 years, which was further extended till 31st March 2019. Through this scheme, the electric & hybrid vehicles (xEVs) are being incentivised in the form of an upfront reduction in purchase price to buyers of xEV. Since inception of the scheme, about 2.78 lakh vehicles have been supported by way of extending demand incentives of Rs. 343 Crore [Approx]. As pilot project, 465 buses were also sanctioned to various cities / states under this phase of the scheme.

Under recently notified Phase-II of FAME India Scheme on 8th March 2019, about 7000 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers will be supported through demand incentives. In addition, creation of charging infrastructure will be supported in selected cities and along major highways to address range anxiety among users of electric vehicles.

Various other initiatives which were also taken by the Government to promote electric mobility in the country are as mentioned hereunder –

- (i) Under new GST regime, the rates of GST on Electric Vehicles has been kept in the lower bracket of 12% (with no Cess) as against the 28% GST rate with Cess up to 22% for conventional vehicles.
- (ii) Ministry of Power has allowed sale of electricity as ‘service’ for charging of electric vehicles. This would provide a huge incentive to attract investments into charging infrastructure.
- (iii) Ministry of Road Transport Highways issued notification regarding exemption of permit in case of battery operated commercial vehicles.
- (iv) In the budget of 2019-20, the Hon’ble Finance Minister announced for providing additional income tax deduction of Rs 1.5 lakh on the interest paid on loans taken to purchase electric vehicles.
