

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

**RAJYA SABHA
UNSTARRED QUESTION No. 3225
TO BE ANSWERED ON 22.07.2019**

Promotion of electric public transport in Delhi

3225. SHRI VIJAY GOEL:

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

- (a) whether steps are being taken to promote electric public transport in Delhi to curb down emissions from private vehicles;
- (b) if so, the details thereof; and
- (c) details of the number of electric vehicles likely to be added to Delhi and Rajasthan under FAME-II scheme?

ANSWER

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

(a) to (c): To promote electric and hybrid vehicles (xEVs) in the country, the Government notified Phase-I of FAME India Scheme [Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India] in March 2015. Through the scheme, the sale of xEVs, including in Delhi, were being incentivised in the form of an upfront reduction in purchase price to buyers of xEV.

On completion of Phase-I of this scheme, Government has notified Phase-II of the scheme on 8th March 2019, which will mainly focus on supporting electrification of public & shared transportation, and aims to support through subsidies about 7000 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers. With greater emphasis on providing affordable & environment friendly public transportation options for the masses, the scheme will be applicable mainly to vehicles used for public transport or those registered for commercial purposes in e-3W, e-4W and e-bus segments. However, privately owned registered e-2W will also be covered under the scheme as a mass segment.

Recently, an Expression of Interest (EoI) has been issued on 4th June 2019 inviting proposals from State/UT Government Departments (including Delhi and Rajasthan), State/City Transport Undertakings, Municipal Corporations or any other similar Public Entity interested in the deployment of electric buses for public transport in different cities on an Operational Cost Model, for availing incentives under Phase II of FAME India Scheme.

Contd/-

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) The Government, vide S.O. 5333(E) dated 18th October, 2018 has also granted exemption to the Battery Operated Transport Vehicles and Transport Vehicles running on Ethanol and Methanol fuels from the requirements of permit.
- (iv) The Government, vide draft GSR 430(E) dated 18th June 2019 has proposed exemption of registration fees for battery operated/electric vehicles to promote the use of eco-friendly vehicles in the country.
- (v) 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.
