

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY
LOK SABHA
UNSTARRED QUESTION NO. 3325
ANSWERED ON 16.03.2021

HYBRID AND ELECTRIC VEHICLES

**3325. SHRI NARENDRA KUMAR:
SHRI SUMEDHANAND SARASWATI:**

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES भारी उद्योग एवं लोक उद्यम मंत्री be pleased to state:

- (a) whether efforts are being made by the Government to boost the manufacturing of hybrid and electric vehicles in the country;
- (b) if so, the details of the vehicles sold out since the inception of Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) India scheme in the country;
- (c) whether efforts are being made to encourage the use of electric vehicles and make them affordable in the country; and
- (d) if so, the steps taken or proposed to be taken by the Government in this regard?

ANSWER

**THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI ARJUN RAM MEGHWAL)**

(a) to (d): Yes, Sir. Department of Heavy Industry formulated a Scheme namely Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme in the year 2015 to promote manufacturing of electric and hybrid vehicle technology and to ensure sustainable growth of the same. Phase-1 of the scheme was available up to 31st March, 2019.

Based on the outcome and experience gained during Phase-I of FAME India Scheme, phase-II of FAME India Scheme was notified on 8th March, 2019 for a period of three years commencing from 1st April, 2019, with a total budgetary support of Rs. 10,000 crore. This phase mainly focusses on supporting electrification of public & shared transportation and aims to support, through demand incentive, 7090 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers. In addition, creation of charging infrastructure is also supported to address range anxiety among users of electric vehicles.

In the First Phase of the Scheme, about 2.8 lakh hybrid and electric vehicles were supported by way of demand incentive, amounting to about Rs 359 crore. 425 electric and hybrid buses were deployed as sanctioned to various cities in the country with total cost of about 280 Crores.

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Under Phase-II of FAME India Scheme, 56,900 Electric Vehicles have been supported, as on 10.03.2021, by way of Demand Incentive amounting to about Rs. 170 Cr. Further, 6265 electrical buses have been sanctioned to various State/ City Transport Undertakings under Phase-II of the Scheme. This involves Government incentive of around Rs. 3000 Cr.

Further, following initiatives have also been taken up by the Government of India for promotion of electric vehicles in the country –

- (i) 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%.
- (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) In the budget of 2019-20, the Hon'ble Finance Minister announced provision of additional income tax deduction of Rs 1.5 lakh on the interest paid on loans taken to purchase electric vehicles.
- (v) In order to promote electric vehicles, the Government has notified for retro-fitment of hybrid electric system or electric kit to vehicles and has specified the type approval procedure of electric hybrid vehicles.
- (vi) The Ministry of Road Transport & Highways has notified certain specifications for the grant of licence to age group of 16-18 years to drive gearless E scooters/ Bikes upto 4.0 KW.
- (vii) Ministry of Housing and Urban Affairs has made amendment in the Urban and Regional Development Plans Formulation and Implementation (URDPFI) guidelines to provide for electric vehicle charging stations in private and commercial buildings.
