

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY
LOK SABHA
UNSTARRED QUESTION NO. 81
ANSWERED ON 02.02.2021

ELECTRIC VEHICLES

81. SHRI JAYANT SINHA:

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

- (a) the steps taken by the Government to encourage the Indian electrical industry to adopt newer technologies and innovation aimed at future energy transition;
- (b) the current market share of electric vehicles in the domestic market; and
- (c) whether the Government has undertaken any study to analyze how such market share may transform in the next decade and if so, the details thereof?

ANSWER

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI PRAKASH JAVADEKAR)

(a): Government of India has been promoting electric mobility in the country. The Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme was launched under the National Electric Mobility Mission Plan (NEMMP) 2020 in March, 2015 to promote adoption of electric/ hybrid vehicles (xEVs). Phase-I of the Scheme was extended upto 31st March 2019. At present, Phase-II of FAME India Scheme is being implemented for a period of 3 years w.e.f. 01st April, 2019 with a total budgetary support of Rs. 10,000 crore. This phase focusses on supporting electrification of public & shared transportation and aims to support, through subsidies, approx. 7000 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.

Further, following steps have also been taken up by the Government of India to promote the uses of electric vehicles among the consumers 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 Government has notified that the registration mark for Battery Operated Vehicles is to be on a plate with green background.

(vii) 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.

(viii) The Indian Space Research Organisation (ISRO) has commercialized indigenously developed lithium ion battery technology and has selected 14 companies for transfer of technology.

(ix) The NITI Aayog has taken an initiative to provide a Model Concessionaire Agreement (MCA) document for introducing Electric-Bus Fleet in Cities for Public Transportation on Public-Private Partnership (PPP) mode on Operational Expenditure (per km basis) Model rather than paying upfront capital cost.

(x) 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.

(b): As per the information received from SIAM, In FY 2019-20, number of electric vehicles registered in the country were about 1.7 lakhs as against 207.2 lakhs ICE vehicles i.e. about 0.8%.

(c): As per information received from SIAM, 40% electrification of vehicles is expected by 2030.
