

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
DEPARTMENT OF HEAVY INDUSTRY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 3420**  
ANSWERED ON 16.03.2021

**DEMAND FOR ELECTRIC VEHICLES**

**3420. SHRI RAKESH SINGH:**

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

- (a) whether the demand for electric vehicles has increased in the country;
- (b) if so, the details thereof;
- (c) whether it is a fact that the price of e-vehicles is higher in comparison to other vehicles and if so, the details thereof;
- (d) whether the Government has taken any measures to decrease the prices of e-vehicles and to promote evehicles; and
- (e) if so, the details thereof?

**ANSWER**

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

**(a) & (b):** Yes, Sir. The demand for electric vehicles has increased in the country in the last three years. The number of registered electric vehicles as per e-vahan portal during the last three years (i.e. 2017-18, 2018-19 & 2019-20) are as under:

Sl. No.	Year	No. of electric vehicles sold
1.	2017-18	69,012
2.	2018-19	143,358
3.	2019-20	167,041
<b>Total</b>		<b>379,411</b>

**(c) to (e):** The upfront cost of electric vehicles is higher than the Internal Combustion Engine (ICE) vehicle. However, the operational cost of electric vehicles is lower than the ICE vehicles. Further, electric vehicles are being supported by the way of demand incentives under FAME India Scheme phase II to reduce the cost difference between the electric vehicles and ICE vehicles.

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.

Contd.....2/-

- (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.

\*\*\*\*\*