GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 758
ANSWERED ON 08.12.2023

INITIATIVES TO POPULARISE ELECTRIC VEHICLES

758. DR. C.M. RAMESH:

Will the Minister of Heavy Industries be pleased to state:

(a) whether Government have taken any initiative to popularise and sale of Electric Vehicles (EVs) in the country during the last two years, if so, the details thereof; and

(b) the steps taken by Government to improve battery manufacturing capabilities, charging facilities for EVs, the details thereof?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI KRISHAN PAL GURJAR)

(a): Yes Sir, the Ministry of Heavy Industries has launched three schemes to promote electric and hybrid vehicles production in the country. Their details are as under:

i. The Ministry of Heavy Industries formulated Faster Adoption and Manufacturing of Electric Vehicles in India Phase II (FAME India Phase II) Scheme for a period of five years commencing from 1st April, 2019 with a total budgetary support of Rs. 10,000 crore. This phase mainly focuses 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 under the Scheme.
ii. Production Linked Incentive (PLI) Scheme for Automobile and Auto component industry with a budgetary outlay of Rs. 25,938 crore, provides financial incentives to boost domestic manufacturing of Advanced Automotive Technology products including electric vehicles and their components. The scheme provides incentive up to 18% of eligible sales of electric vehicles and their components.
iii. Production Linked Incentive (PLI) Scheme for Advanced Chemistry Cell (ACC): The Government has approved PLI Scheme for manufacturing of ACC in the country with a budgetary outlay of Rs. 18,100 crore. The scheme incentivises the establishment of Giga scale ACC manufacturing facilities in the country for 50 Giga Watt hour (GWh). These ACCs will be used in batteries which are aimed to promote the widespread adoption of EVs.

Further, following steps have been taken by the Government to promote adoption 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 Road Transport & Highways (MoRTH) had announced to give green license plates to battery operated vehicles and to exempt from permit requirements.
iii. MoRTH has issued a notification advising states to waive road tax on EVs, which in turn will help reduce the initial cost of EVs.

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(b): Sir, PLI ACC Scheme envisages to establish a competitive ACC battery manufacturing set up in the country for 50 GWh. Additionally, 5 GWh of niche ACC technologies is also covered under the Scheme. Under this scheme, three entities have been awarded the ACC capacities i.e. Rajesh Exports Limited - 5 GWh, Ola Electric Mobility Private Limited - 20 GWh and Reliance New Energy Solar Limited - 5 GWh.

Further, the Ministry of Heavy Industries has sanctioned Rs. 800 Cr. as capital subsidy to the three Oil Marketing Companies (OMCs) of the Ministry of Petroleum and Natural Gas (MoPNG) for establishment of 7,432 electric vehicle public charging stations. Further, 148 EV Charging Stations were sanctioned to other entities under this scheme.

Further, as per the information received from Ministry of Power, Public EV charging infrastructure has been identified as one of the key barrier in accelerated uptake of electric vehicles in the country. To address this barrier and ensure faster adoption of electric vehicles, Ministry of Power issued guidelines and standards for public EV charging infrastructure.

The salient features of these guidelines are as follows:

i. To support creation of EV Charging Infrastructure and provide affordable tariff chargeable for Public EV Charging Station Operators/Owners and Electric Vehicle (EV) users.

ii. Enabling owners of Electric Vehicles to charge their EVs at their residence/offices using their existing electricity connections.

iii. Introducing Revenue sharing model for provision of land at promotional rates for public charging stations.

iv. Providing electricity connection to Public Charging Station (PCS) within stipulated timelines.

v. Prescribing single part EV tariff for public charging stations and shall not exceed Average Cost of Supply (ACoS) till 31.03.2025. The same tariff shall be applicable to Battery Charging Stations.

vi. Specifying ceiling limits on service charges being levied by public EV charge point operators on the EV customers to recover the cost of servicing the capital investments (excluding GST) made by it in setting up the PCS. The amendment specifies a ceiling of Rs. 2.50 per unit and Rs. 3.50 per unit of electricity used for slow AC charging of EVs at PCS during the solar (9 am to 4 pm) and non-solar hours (for remaining part of the day) respectively. Additionally, a ceiling limit of Rs. 10 per unit and Rs 12 per unit of electricity used for DC Fast charging of EVs at PCS during the solar and non-solar hours respectively has also been specified.

vii. Cost of supply by DISCOMs to a public EV charging station shall be 0.8 times ACoS during solar hours and 1.2 times ACoS during non-solar hours.

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