

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY

RAJYA SABHA
UNSTARRED QUESTION NO. 2582
TO BE ANSWERED ON 09.08.2018

Target for electric vehicles in Government offices

2582. SHRI NARENDRA KUMAR SWAIN:

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

- (a) the measures taken/proposed to be taken by Government to promote the manufacturing and use of electric vehicles;
- (b) whether any time limit has been fixed or is proposed to be fixed by Government for converting all the vehicles into electric vehicles and if so, the details thereof; and
- (c) the number of vehicles in the Government offices proposed to be converted into electric vehicles during 2018-19 along with the number of electric vehicles proposed to be used in such offices during that period?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BABUL SUPRIYO)

(a): To support hybrid & electric vehicles (xEVs) market development and its manufacturing eco-system, the Government has launched FAME India Scheme [Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India] with an outlay of Rs.795 crore initially for a period of 2 years, commencing from 1st April 2015, which has been extended further up to 30th September 2018. Through this scheme, incentive is being extended to buyers of xEVs, in the form of an upfront reduced purchase price at the time of purchase of vehicle at dealer level. The detailed demand incentives available in this scheme are given at Annexure 13 of the Scheme's notification, which is available in the website of Department of Heavy Industry [<http://www.dhi.nic.in/>]. Also, specific projects received under different focus areas of the scheme namely Pilot Projects, Technology Platform/R&D & Charging Infrastructures are funded under the scheme by the Government. Further, some of the major initiatives taken by the Government for promotion of electric mobility in the country are detailed in the **Annexure 'A'**.

(b) & (c): So far, no time limit has been fixed by Government for converting all the vehicles into electric vehicles. However, Energy Efficiency Services Limited (EESL), a Joint Venture of PSUs of Ministry of Power, through its demand aggregation effort, is providing electric vehicles to Government entities on lease / outright purchase basis to replace the existing petrol and diesel vehicles taken on lease by them. As on date, EESL has informed that they have successfully delivered 150 e-cars to various Government organizations across Delhi NCR. All the e-cars delivered by EESL are in operation and being used by Government organizations.

Some of the major initiatives taken by the Government promotion of electric mobility in the country

[a] Taxation Measures

1. Under new GST regime, Electric Vehicles are kept in the lower bracket of 12% GST rate (with no Cess) as against the 28% GST rate with Cess up to 22% for conventional vehicles. Further, full exemption from Basic Custom Duty (BCD) has also been provided on the following specified parts of electric vehicles :
 - a. Battery pack
 - b. Battery charger
 - c. AC or DC motor
 - d. AC or DC motor controller
2. The rate of tax for Fuel Cell Vehicle has been reduced to 12 percent from the higher rate of 28 per cent.
3. In a bid to boost prospects of electric vehicles, the tax rate on lithium ion batteries has been lowered to 18 per cent from 28 per cent.

[b] R&D Efforts

4. Department of Science & Technology informed that four (4) research groups (ISRO, CSIR, ARCI & IIT Bombay) are researching Lithium ion Battery technology. They will be encouraged to collaborate for lower cost lithium ion battery and alternative batteries.
5. ISRO has developed the required technology related to Li ion cells for ISRO's Space Programme. They have issued Request For Qualification (RFQ) for Li-ion Technology Transfer to Indian industries for use in electric vehicles.
6. Under Technology Platform (TPeM) focus area of the FAME Scheme, six (06) projects relating to (i) Designing of High Power DC Chargers for Electric Vehicles; (ii) Designing of a bidirectional Electric Vehicle Supply Equipment for charging station; (iii) Ascertain/develop Driving Cycle for electric/hybrid vehicles in Indian conditions; (iv) Design & develop Non-Permanent Magnet Motor Drives for e2W and e-3W based on actual Drive Cycles in Indian conditions; (v) Development of Switched Reluctance Motor for EVs, & (vi) Development of Synchronous Motor for EVs, were approved & sanctioned under this Scheme of the Government.
7. MNRE has informed that they are supporting broad based research & development programme for development of new and renewable energy technologies including Hydrogen and Fuel Cells.

[c] Non-fiscal Measures

8. Ministry of Power has recently allowed sale of electricity as 'service' for charging of electric vehicles. This would provide a huge incentive to attract investments into charging infrastructure.
9. Ministry of Road Transport & Highways has recently published a draft notification for electric vehicles to have green number plate which would be aimed to provide incentives to electric vehicle users such as waiver of toll, parking fees, permits, traffic rationing etc.

[d] Demand Aggregation Efforts

10. Energy Efficiency Services Limited (EESL), a Joint Venture of PSUs under Ministry of Power, has informed that they have completed procurement process of 10,000 Electric Cars and has issued Letter of Awards (LoAs) to M/s Tata Motors (5050 nos.) and M/s Mahindra & Mahindra Ltd. (4950 nos.). It has further been informed that these cars will be provided to Government entities on lease / outright purchase basis.