

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 904
ANSWERED ON 09.02.2024

SEPARATE POLICY FOR US BASED TESLA ELECTRICAL CAR MAKERS

904. SHRI V. VIJAYASAI REDDY:

Will the Minister of Heavy Industries be pleased to state:

(a) whether Government plans to frame a separate policy for providing incentives to US-based Tesla and other electric car makers;

(b) if so, the details thereof, if not, the reasons therefor;

(c) whether the company can apply to avail support measures under existing schemes like PLI for auto and advanced chemistry cells; and

(d) if so, the details thereof?

ANSWER

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

(a) & (b): Sir, there is no separate policy has been framed by the Ministry of Heavy Industries for providing incentives to US-based Tesla. However, following two Production Linked Incentive (PLI) Schemes are being implemented by the Ministry of Heavy Industries for promotion of Advanced Automotive Technology (AAT) Products including electric cars and Advanced Chemistry Cell (ACC) Batteries, with an aim to enhance India's manufacturing capabilities:

- i. The Government on 12th May, 2021 approved Production Linked Incentive (PLI) scheme, 'National Programme on Advanced Chemistry Cells (ACC) Battery Storage' in order to promote manufacturing in the country. The budgetary outlay of the scheme is Rs. 18,100 crores. The scheme envisages to establish a cumulative ACC battery manufacturing capacity of 50 GWh.
- ii. Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry was approved on 15th September, 2021 with a budgetary outlay of Rs. 25,938 crore, which provides financial incentives to boost domestic manufacturing of Advance Automotive Technologies(AAT) products (including electric vehicles and their components).

(c) & (d): Sir, under Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry, the application window has been closed.

Under Production Linked Incentive (PLI) scheme, 'National Programme on Advanced Chemistry Cells (ACC) Battery Storage', request for proposal (RFP) has been released for 10 GWh on 24.01.2024 in which any interested bidder including US-based Tesla can apply.
