

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2957
ANSWERED ON 20.12.2024

STATUS OF AUTOMOTIVE INDUSTRY IN PUNJAB

2957. SHRI SANJEEV ARORA:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) the status of Punjab's automotive sector, including the number of auto manufacturing plants and ancillary units, along with data of production and exports over the last five years;
- (b) the manner in which Government is addressing the challenges faced by the auto sector in Punjab, such as the shift to Electric Vehicles (EVs), battery production, and supply chain disruptions; and
- (c) the plans to promote EV manufacturing and infrastructure development in Punjab, particularly in terms of charging station and Government incentives for local manufacturers?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a): As per information provided by Society of Indian Automobile Manufacturers, the Production and Export data of automobiles in the country for last 5 years is not available state-wise.

(b) & (c): Ministry of Heavy Industries (MHI) has taken several steps to give incentives/subsidies to promote adoption and strengthen electric vehicles (EVs) ecosystem in India, which has benefitted the States as well. The details are given below:

- 1. Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India (PLI-Auto):** The Government approved this scheme on 15.09.2021 for Automobile and Auto Component Industry for enhancing India's manufacturing capabilities for Advanced Automotive Technology (AAT) products with a budgetary outlay of ₹25,938 crore. The scheme proposes financial incentives to boost domestic manufacturing of AAT products with minimum 50% Domestic Value Addition (DVA) and attract investments in the automotive manufacturing value chain.
- 2. Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme Phase-II:** The Government implemented this scheme for a period of five years from 01.04.2019 with a total budgetary support of ₹11,500 crore. The scheme incentivize e-2Ws, e-3Ws, e-4Ws, e-buses and EV public charging stations. Under FAME-II, MHI allocated ₹873.50 crore as a capital subsidy to three Oil Marketing Companies (OMCs) under Ministry of Petroleum and Natural Gas (MoPNG) for setting up 10,585 EV Public Charging Stations (EV PCS). Further, ₹39 crore has been sanctioned to other entities for installation of 400 EV PCS. Under FAME-II, Phased Manufacturing Programme (PMP) was introduced with the objective of domestic manufacturing of electric vehicles, its assemblies / sub-assemblies and parts/ sub-parts thereby increasing the DVA.

3. **PLI Scheme for National Programme on Advanced Chemistry Cell (ACC) Battery Storage:** The Government on 12.05.2021 approved PLI Scheme for manufacturing of ACC in the country with a budgetary outlay of ₹18,100 crore. The scheme aims to establish a competitive domestic manufacturing ecosystem for 50 GWh of ACC batteries.
4. **PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme:** This scheme with an outlay of ₹10,900 crore was notified on 29.09.2024. It is a two-year scheme which aims to support electric vehicles including e-2W, e-3W, e-Trucks, e-buses, e-Ambulances, EV Public Charging Stations (EV PCS) and upgradation of vehicle testing agencies. Within the total outlay, ₹ 2,000 crore have been kept under the scheme to support EVPCS. Phased Manufacturing Programme (PMP) mandated under this scheme promotes local EV manufacturing.
5. **PM e-Bus Sewa-Payment Security Mechanism (PSM) Scheme:** This Scheme notified on 28.10.2024, has an outlay of ₹3,435.33 crore and aims to support deployment of more than 38,000 electric buses. The objective of the scheme is to provide payment security to e-bus operators in case of default by Public Transport Authorities (PTAs).
6. **Scheme for Promotion of Manufacturing of Electric Passenger Cars in India (SPMEPCI):** This scheme was notified on 15.03.2024 to promote the manufacturing of electric cars in India. This requires applicants to invest a minimum of ₹4150 crore and achieve a minimum DVA of 25% at the end of third year and DVA of 50% at the end of fifth year.
