

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 810
ANSWERED ON 25.07.2023

MANUFACTURING OF ELECTRIC VEHICLES

810. SHRI THIRUNAVUKKARASAR SU.:

Will the Minister of **HEAVY INDUSTRIES** भारी उद्योग मंत्री be pleased to state:

- (a) the details and the present status of growth of e-vehicle manufacturing in the country including public transport buses manufactured in the country during the last three years, year/vehicle-wise;
- (b) whether the country is greatly dependent on China for raw materials, mineral processing, battery and other basic requirements for production and promotion of e-vehicles in the country;
- (c) if so, the details thereof and its impact on domestic industries;
- (d) whether the Government has taken any steps to boost the production of the same in the country and lessen the dependence on Chinese imports; and
- (e) if so, the details thereof and if not, the reasons therefor?

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

(a): Sir, the Ministry of Heavy Industries (MHI) does not maintain the manufacturing data of Electric Vehicles (EVs) in the country including public transport buses. However, as per the e-vahan portal (Ministry of Road Transport and Highways), the details of number of electric vehicles registered in the country during the last three years (2020 to 2022) are as under:

Sl. No.	Year	Total Count
1.	2020	1,23,092
2.	2021	3,27,976
3.	2022	10,15,196
Total		14,66,264

(b) to (e): Yes Sir, since the basic raw material for production of electric vehicles is lithium and other critical materials. At present, investments in manufacturing and overall value addition for Advanced Chemistry Cells (ACCs) are negligible in India and almost entire domestic demand of ACCs is still being met through imports. In order to reduce dependency of imported ACC battery for electric vehicles, the Government on 12th May, 2021 approved a Production Linked Incentive (PLI) Scheme for manufacturing of Advance Chemistry Cell (ACC) in the country. The total outlay of the scheme is Rs. 18,100 Crore for a period of 5 years. The scheme envisages to establish a competitive ACC battery manufacturing set up in the country (50 GWh). Additionally, 5GWh of niche ACC technologies is also covered under the Scheme. The scheme proposes a production linked subsidy based on applicable subsidy per KWh and percentage of value addition achieved on actual sales made by the manufacturers who set up production units.

Further, the Ministry of Heavy Industries has taken following steps to boost the production of e-vehicle in the country including public transport buses:

- i. **Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India):** The Government notified Phase-II of FAME India Scheme initially for a period of three years commencing from 1st April, 2019 with a total budgetary support of Rs. 10,000 crore. The Scheme was extended for a further period of 2 years up to 31st March, 2024. Under FAME-India Scheme phase-II, incentives are provided to buyers of electric vehicles in the form of an upfront reduction in the purchase price of electric vehicles.
- ii. **Production Linked Incentive (PLI) Scheme for Automotive Sector:** The Government on 15th September, 2021 approved the PLI Scheme for Automotive Sector with a budgetary outlay of Rs. 25,938 crores. Electric vehicles are covered under this PLI scheme.
