

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 1693.
TO BE ANSWERED ON WEDNESDAY, THE 13TH DECEMBER, 2023.**

IMPORT OF ELECTRIC VEHICLES

1693. SHRI SUBBARAYAN K.::

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- a) whether it is a fact that the Government has a proposal under consideration to exempt Tesla and other multinational car companies from local value addition of cost in heavy batteries, semi-conductors and even magnetic parts and also subsidy on the import duty on the import of electric vehicles in India;
- b) if so, the details thereof;
- c) whether it is a fact that these concessions are not going down well with the players like Mahindra and Mahindra, Tata Motors, Maruti Suzuki, Toyota, Hyundai, Kia, etc.; and
- d) if so, the details and reasons therefor and the Government's reaction thereto?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a) to (d):** Government has taken series of policy initiatives and measures to create conducive ecosystem to promote industrialisation and domestic value addition and to make India globally competitive. Government has also taken various steps to boost domestic and foreign investments in India to enhance local value addition under Make in India initiative. These include the introduction of Goods and Services Tax, reduction in corporate tax, improving ease of doing business, FDI policy reforms, measures for reduction in compliance burden, measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP) and QCOs (Quality Control Orders), to name a few.

Apart from above, government has launched the Production Linked Incentive (PLI) Scheme for Automobile and Auto component industry with a budgetary outlay of Rs. 25,938 crore to provide financial incentives to boost domestic manufacturing of Advance Automotive Technologies (AAT) products (including electric vehicles and their components). The Government has also approved Production Linked Incentive (PLI) scheme, "National Program on Advanced Chemistry Cells (ACC) Battery Storage" 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).

Presently, there is no proposal either to provide exemption from local value addition cost or to provide subsidy on import duty on import of electric vehicle in India.
