GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2304
ANSWERED ON 10.12.2024

LITHIUM BATTERIES IN ELECTRIC MOBILITY

2304. SHRI DUSHYANT SINGH:

Will the Minister of HEAVY INDUSTRIESभारी उद्योग मंत्री be pleased to state:

(a) whether the Government has taken steps to increase Lithium availability for promoting Electric Vehicles (EVs) in the country, if so, the details thereof and if not, the reasons therefor;

(b) the key objectives of the Production Linked Incentive (PLI) Scheme for Advanced Chemistry Cells (ACC) in the country and how does it aim to reduce the country's dependency on imported ACCs for electric vehicles;

(c) the details of the specific provisions and financial outlay of the scheme and the production targets and the timeline for achieving these targets;

(d) the details and the role of the FAME India Scheme (Phase-II) in promoting electric vehicle adoption and the manner in which it provide incentives for electric vehicle buyers; and

(e) whether the PLI Scheme for the Automotive Sector complement the goals of the electric vehicle market and the impact expected on the domestic EV production ecosystem?

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

(a): As per the information provided by the Ministry of Mines, they have set up Khanij Bidesh India Limited (KABIL), a joint venture company with equity contributions from National Aluminium Company (NALCO), Hindustan Copper Limited (HCL), and Mineral Exploration and Consultancy Limited (MECL). Its overarching mission is to identify and acquire overseas mineral assets that hold critical and strategic significance, specifically targeting minerals like Lithium, Cobalt, and others. KABIL has signed an Exploration and Development Agreement with CAMYEN, a state-owned enterprise of Catamarca province of Argentina, for Exploration and mining of Five Lithium Block in Argentina. KABIL is also constantly having interactions with Critical Mineral Office in Australia with the primary objective of acquiring critical and strategic mineral assets.

(b) & (c): The Government of India approved the Production Linked Incentive scheme for National Programme on Advanced Chemistry Cell (ACC) Battery Storage (PLI ACC scheme) on 12th May, 2021, for setting up manufacturing facilities for Advanced Chemistry Cell (ACC), Battery Storage in India. The Scheme aims to reduce the dependency on imported ACC in India by enhancing India's manufacturing capabilities and envisages incentivizing large domestic and international players in establishing a competitive ACC battery set-up in India.

The budgetary outlay of the scheme is ₹18,100 Crore for a cumulative capacity of 50 GWh for a period of 5 years after gestation period of 2 years. The scheme has provision for incentive based on the quoted subsidy per KWh by the beneficiary firms and the percentage of value addition achieved on actual sales for manufacturers. Beneficiary firms must ensure to achieve a value addition of at least 25% within 2 years (at the Mother Unit Level) from the appointed date i.e. Milestone-1 and raise it to 60% value addition within 5 years from the appointed date i.e. Milestone-2. The performance and incentive disbursement of allocated funds shall commence after achieving the Milestone-I by the beneficiary firms. The details of the scheme may be seen at: https://heavyindustries.gov.in/pli-scheme-national-programme-advanced-chemistry-cell-acc-battery-storage

(d): Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme Phase-II (FAME II) was implemented for a period of 5 years w.e.f. 01st April, 2019 with a total budgetary support of ₹11,500 Crore. Under FAME India scheme Phase-II, Phased Manufacturing Programme (PMP) was introduced with the objective of domestic manufacturing of electrical vehicles, its assemblies/ subassemblies and parts/sub-parts thereby increasing the domestic value addition. The details of the scheme may be seen at: https://heavyindustries.gov.in/fame-ii

(e): The Government approved Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India on 15th September, 2021 for Automobile and Auto Component Industry in India for enhancing India's manufacturing capabilities for Advanced Automotive Technology (AAT) products including electric vehicles with a budgetary outlay of ₹25,938 Crore. The scheme has provision for 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. The details of the scheme may be seen at: https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry

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