

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1845
ANSWERED ON 11.03.2025

INCENTIVIZING MANUFACTURERS OF EVs

1845. DR. AMAR SINGH:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) whether the Government concurs that by incentivizing manufacturers of electric vehicles(EVs), components, and charging/swapping infrastructure and many players are likely to be drawn into the market with the prospects of long-term viability and significant future growth potential for EVs in the country;
- (b) if so, the details thereof;
- (c) the steps taken/proposed to be taken by the Government in this regard; and
- (d) if not, the reasons therefor?

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

(a) to (c): Yes. Government concurs that by incentivizing manufacturers of electric vehicles (EVs), components, and charging/swapping infrastructure, many players will be drawn into the market with the prospects of long-term viability and significant future growth potential for EVs in the country. Government has taken several steps to promote adoption and strengthen electric vehicles (EVs) ecosystem in India. The details are as below:

1. **Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India (PLI-Auto):** Government approved this scheme on 15.09.2021 for Automobile & Auto Component Industry for enhancing India's manufacturing capabilities for advanced automotive technology (AAT) products with budgetary outlay of ₹25,938 cr.
2. **Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme Phase-II:** Government implemented this scheme from 01.04.2019 with a total budgetary support of ₹11,500 cr. to incentivize e-2Ws, e-3Ws, e-4Ws, e-buses and EV public charging stations.
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 cr. was notified on 29.09.2024 to support electric vehicles including e-2W, e-3W, e-Trucks, e-buses, e-Ambulances, EV PCS and upgradation of vehicle testing agencies.

5. **PM e-Bus Sewa-Payment Security Mechanism (PSM) Scheme:** This Scheme notified on 28.10.2024, has an outlay of ₹3,435.33 cr. 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 passenger 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.

(d): Does not arise.
