GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2787
ANSWERED ON 18.03.2025

INTERNATIONAL CENTRE FOR AUTOMOTIVE TECHNOLOGY

†2787. SHRI RAMVIR SINGH BIDHURI:
SHRI YADUVEER WADIYAR:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

(a) the contribution made by ICAT (International Centre for Automotive Technology) in terms of research and development in automotive sector of India;

(b) the steps being taken by ICAT for providing technological assistance to Indian Automotive Start-ups and MSME;

(c) the strategy of the Government to attract foreign investment in heavy industry and automobile sector; and

(d) the schemes of the Government to strengthen the position of India in global EV and hydrogen fuel cell market?

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

(a): International Centre for Automotive Technology (ICAT) has played a key role in advancing research and development within India's automotive sector. It has successfully developed 27 innovative technologies, reflecting its commitment to excellence in automobile engineering. Additionally, ICAT holds 9 patents/ IPRs and 2 copyrights/ design registrations, highlighting its contributions to intellectual property in the automotive domain. ICAT's experts have published over 50 technical papers in esteemed national and international forums. Furthermore, to strengthen the R&D ecosystem, ICAT has established over 40 Memorandums of Understanding (MoUs) with leading domestic and international automotive organizations and premier academia such as IIT-Kanpur, IIT-Roorkee, IIT-Hyderabad, CDAC, IDIADA-Spain, TUV Rhineland-Germany.

(b): ICAT has launched the ICAT incubation and acceleration centre for supporting startups in auto and allied domain. Additionally, ICAT is a board member in Automotive & Allied Research and Technology Innovations (AARTI) Foundation, a section-8 entity established with support from IIT-Roorkee, to support innovation and businesses in auto and allied domains, especially for startups and MSMEs. ICAT actively engages startups & MSMEs through workshops, seminars and webinars offering skilling and upskilling opportunities while serving as a technology and validation partner by providing technical and industry expertise.

(c) & (d): The Government of India has formulated various schemes to attract foreign investment in the heavy industry and automobile sectors. These schemes also aim to strengthen the position of India in global EV and hydrogen fuel cell market. The details are as under: -

i. **Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India (PLI-Auto):** Government has notified this scheme on 23.09.2021 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. There are 41 approved foreign applicants in the scheme.

ii. **Scheme to Promotion 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. Under this scheme, EV passenger cars (e-4W) can initially be imported with a minimum CIF value of USD 35,000, at a duty rate of 15% for a period of 5 years from the date of issuance of approval letter by MHI. This requires applicants to invest a minimum of ₹4,150 crore and achieve a minimum DVA of 25% at the end of third year and DVA of 50% at the end of fifth year.

iii. **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 till 31/03/2024 with a total budgetary support of Rs.11,500 crore. There are foreign OEMs who had invested and were supported under the scheme.

iv. **PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme:** This scheme with an outlay of Rs.10,900 crore was notified on 29th September, 2024. It is a two-year scheme w.e.f. 1st April, 2024 onwards, which aims to support EVs including e-2W, e-3W, e-Trucks, e-buses and e-Ambulances. There are foreign OEMs who have invested and are supported under the scheme.

v. **National Green Hydrogen Mission (NGHM):** The Ministry of New and Renewable Energy (MNRE) is implementing the National Green Hydrogen Mission, with an objective to make India a global hub of production, usage and export of Green Hydrogen and its derivatives. One of the objectives of the Mission is to support the deployment of Green Hydrogen as fuel in buses and trucks, in a phased manner on a pilot basis. MNRE issued the scheme guidelines for implementation of pilot projects for use of Green Hydrogen in the Transport Sector under the NGHM. Under this scheme, five pilot projects have been sanctioned consisting total of 37 vehicles (buses and trucks), and 9 hydrogen refuelling stations. As part of the Mission, the R&D Scheme Guidelines have been issued that include development of fuel cells as one of the key areas.

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