STUDY NOTES · BASIC CONCEPT

How the Electric Two-Wheeler Sector Strengthens ‘Make in India’ and ‘Atmanirbhar Bharat’?

Indian Economy

25 Dec 2016

How the Electric Two-Wheeler Sector Strengthens ‘Make in India’ and ‘Atmanirbhar Bharat’

Domestic Manufacturing Boost

- Encourages local production of electric two-wheelers, reducing dependence on imports.
- Supports indigenous manufacturing of key components such as motors, controllers, and chassis.

Localization of Supply Chains

- Promotes domestic supply chains for batteries, electronics, and EV parts.
- Reduces vulnerability to global supply disruptions, especially from East Asian markets.

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Technological Self-Reliance

- Stimulates R&D in battery management systems, power electronics, and EV software.
- Encourages innovation by Indian startups and MSMEs in the EV ecosystem.

Employment Generation

- Creates skilled and semi-skilled jobs in manufacturing, assembly, servicing, and R&D.
- Strengthens ancillary industries such as charging infrastructure and recycling.

Support to MSMEs and Startups

- Provides opportunities for MSMEs to enter EV component manufacturing.
- Aligns with government initiatives like Startup India and Production Linked Incentive (PLI) schemes.

Import Substitution & Forex Savings

- Reduces oil import dependence by shifting to electric mobility.
- Lowers foreign exchange outflow in the long run.

Policy Alignment

- Complements government schemes such as FAME, PLI for Advanced Chemistry Cells (ACC), and National Electric Mobility Mission.

- Strengthens India’s green industrial strategy.

Export Potential

- Positions India as a manufacturing hub for affordable electric two-wheelers for global markets.
- Enhances India’s competitiveness in the global EV value chain.

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