

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 1437**  
ANSWERED ON 09.12.2025

**INCENTIVES FOR ELECTRIC VEHICLES**

**1437. SHRI TANUJ PUNIA:**  
**SHRI ANTO ANTONY:**

**Will the Minister of HEAVY INDUSTRIES be pleased to state:**

- (a) the details of the year-on-year growth in Electric Vehicles (EV) penetration between FY2020-2025;
- (b) the measures taken by the Government to strengthen the supply chain resilience for domestic manufacturing;
- (c) the details of the impact of the recent tariffs on the domestic EV manufacturing ecosystem;
- (d) the percentage of the current EV components which are manufactured in the country including component-wise details; and
- (e) whether the Government is considering withdrawing incentives for EVs, if so, the reasons therefor?

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

- (a): The year-on-year growth in Electric Vehicles (EV) penetration between FY 2020-2025 is as under: -  
(Nos. in lakh)

<b>Financial Year /Category</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Registered ICE Vehicles	244.20	173.79	179.86	211.49	229.60	242.84
Registered Electric Vehicles (EVs)	1.74	1.43	4.59	11.83	16.81	19.68
EV Penetration	0.71%	0.82%	2.49%	5.30%	6.82%	7.50%

Source : Vahan Portal

- (b) Further, the Ministry of Heavy Industries has launched the following schemes for strengthening the supply chain resilience for domestic manufacturing:
- i. **Production Linked Incentive Scheme for Automobile and Auto Component Industry (PLI-Auto):** Government on 15.09.2021 approved PLI-Auto Scheme, for enhancing India's manufacturing capabilities for Advanced Automotive Technology (AAT) products with a budgetary outlay of ₹25,938 crore. The scheme proposes 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.
- ii **Production Linked Incentive (PLI) Scheme for National Programme on Advanced Chemistry Cell (ACC) Battery Storage:** Government on 12.05.2021 approved PLI-ACC in order to promote manufacturing of ACC in the country with a budgetary outlay of ₹18,100 crore. The scheme envisages establishing a cumulative ACC battery manufacturing capacity of 50 GWh.

**iii. PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme:** PM E-DRIVE Scheme has been notified on 29.09.2024. The scheme has an outlay of ₹10,900 crore over a period of four years from 01.04.2024 to 31.03.2028 (except for e-2Ws and e-3Ws for which the terminal date is 31.03.2026). This scheme aims to incentivise sale of e-2W, e-3W, e-Ambulances, e-Trucks, and e-buses. The scheme also supports development of charging infrastructure and upgradation of vehicle testing agencies. Under the PM E-DRIVE Scheme, Phased Manufacturing Programme (PMP) mandates domestic manufacturing of specified EV components.

(c): No such assessment has been carried out by Ministry of Heavy Industries (MHI).

(d): Data on percentage of the EV components which are manufactured in the country is not maintained centrally.

(e): No such proposal is under consideration with the Ministry of Heavy Industries.

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