ROADS REIMAGINED: THE RISE OF INDIA'S ELECTRIC VEHICLES ECOSYSTEM

PIB Backgrounder | India's Electric Mobility Transition

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Executive Summary

India's electric mobility ecosystem has entered a period of rapid scale-up. EV sales have grown approximately 46 times since 2016, while exports increased from USD 1.2 million in 2020 to USD 84 million in 2024. Government programmes, domestic manufacturing incentives, charging infrastructure expansion and rising consumer adoption are positioning India as an emerging global EV hub.

Indicator	Details
EV Sales	~50,000 units in 2016 to 2.3 million units in 2025
EV Adoption	0.08% in FY15-16 to 8.26% in FY25-26
EV Registration Growth	CAGR of over 62% during the past decade
EV Exports	USD 1.2 million in 2020 to USD 84 million in 2024
Public Charging Stations	52,718 as of July 2026
Fast-Charging Stations	16,561 as of July 2026
EV Startups	~400 operating in India

India's Move Towards Electric Mobility

Electric mobility has become central to India's climate strategy, sustainable transportation vision and energy-security priorities. Government incentives, environmental awareness and technological progress are supporting adoption, while reduced dependence on fossil-fuel imports and lower transport emissions provide wider economic and strategic benefits.

An electric vehicle is powered by an electric motor using energy stored in a battery and recharged from an external power source. The PIB backgrounder identifies Battery EVs, Hybrid and Plug-in Hybrid EVs, and Fuel Cell EVs as the principal categories.

India's EV Revolution: The Last Decade

India's modern electric mobility journey began in 2015 with the National Electric Mobility Mission Plan and the FAME scheme. These interventions were designed to reduce petroleum import dependence, address urban air pollution and lower greenhouse-gas emissions from transport, which the source states account for approximately 9% of India's total emissions.

National Electric Mobility Mission Plan (NEMMP 2020)

NEMMP 2020 provides a strategic roadmap for accelerating EV adoption and domestic manufacturing, with the twin objectives of strengthening energy security and promoting clean, sustainable mobility.

FAME India

The Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India scheme was launched in 2015 under NEMMP 2020. It provided buyer incentives and support for charging infrastructure and manufacturing. Phase I continued until March 2019, followed by Phase II through April 2024.

EV Sales, Registrations and Exports

EV adoption rose from 0.08% in FY15-16 to 8.26% in FY25-26. The post-COVID period, particularly FY22 onward, marked an acceleration supported by policy incentives, subsidies and improved vehicle availability. Electric two-wheelers subsequently became a leading segment.

India sold around 2.3 million EVs in 2025, compared with roughly 50,000 in 2016. Uttar Pradesh was the largest state EV market in 2025 with more than 4 lakh units, followed by Maharashtra with 2.66 lakh units and Karnataka with 2 lakh units.

Indian EV exports rose from USD 1.2 million in 2020 to USD 84 million in 2024. Nepal, Indonesia and Japan were among the leading export destinations identified in the source.

Charging Infrastructure

India's public charging network has expanded rapidly. According to BHEL figures cited by PIB, 52,718 public charging stations were available as of July 2026, of which 16,561 had fast-charging facilities. The e-Amrit tool also supports users in locating charging stations based on location.

India Electric Mobility Index

NITI Aayog launched the India Electric Mobility Index (IEMI) in August 2025. The framework tracks the performance of States and Union Territories across 16 indicators under three pillars: transport electrification, charging infrastructure readiness, and EV research and innovation. Delhi, Maharashtra and Chandigarh were classified as Frontrunners.

Domestic Manufacturing, Startups and Investment

India is moving from an assembly-led market toward a more comprehensive EV manufacturing ecosystem covering battery packs, motors, drivetrains, power electronics, wiring and charging equipment. Domestic and global manufacturers are expanding R&D and manufacturing capacity, while approximately 400 EV startups are active in charging infrastructure, battery innovation, low-cost manufacturing and data-driven solutions.

In August 2025, Suzuki's first Made-in-India global strategic BEV, the e VITARA, was inaugurated. The vehicles are intended for export to more than 100 countries, including Europe and Japan.

India's EV ecosystem raised more than USD 1.4 billion in FY2025, around 27% higher than 2024. EV manufacturers received about USD 1.2 billion of this funding.

Strategic Policy Interventions

The Government has supported electric mobility through targeted incentives, domestic manufacturing programmes, charging infrastructure and mission-driven policy measures. As of December 2025, 29 States and Union Territories had notified EV policies and four more had policies in draft stages.

Delhi EV Policy and Commercial Vehicle Replacement

In June 2026, the Government approved a two-year scheme with an outlay of Rs. 9,585 crore to support replacement of around 2.07 lakh older high-emission commercial vehicles in Delhi-NCR, including approximately 1.91 lakh trucks and 16,329 buses.

National Mission on Manufacturing (NMM)

The National Mission on Manufacturing (2025) identifies EVs as a key seed sector for innovation-led growth. By 2035, the Mission aims to increase manufacturing's contribution to GDP from 12.9% in 2023 to 25%, create 143 million jobs and increase merchandise exports to USD 1.2 trillion.

PM E-DRIVE Scheme

The PM Electric Drive Revolution in Innovative Vehicle Enhancement Scheme, notified in 2024, has an outlay of Rs. 10,900 crore. It covers e-2Ws, e-3Ws, e-trucks, e-buses and e-ambulances, while the Phased Manufacturing Programme mandates domestic production of specified EV components.

- The scheme aims to support more than 28 lakh EVs; 22.12 lakh had been sold as of January 2026.
- Rs. 4,391 crore has been allocated for 14,028 e-buses, including 13,800 buses allocated to seven major cities.
- Rs. 2,000 crore has been earmarked for nationwide EV Public Charging Stations.
- Rs. 780 crore has been allocated for modernization and upgradation of vehicle testing agencies.

PM e-Bus Sewa - Payment Security Mechanism

The 2024 PM e-Bus Sewa-PSM Scheme provides payment security coverage for each deployed bus for up to 12 years. A total of 10,000 electric buses are to be deployed through the PPP model, supported by interventions covering bus operations, depot infrastructure, charging networks and green mobility initiatives.

SPMEPCI

The Scheme for Promotion of Manufacturing of Electric Passenger Cars in India, introduced in 2024, requires a minimum investment of Rs. 4,150 crore. Manufacturers must achieve at least 25% Domestic Value Addition by year three and 50% by year five.

PLI Scheme for Automobile and Auto Components

The 2021 PLI-Auto Scheme supports Advanced Automotive Technology, including EVs, with a minimum 50% domestic value-addition requirement. As of January 2026, cumulative incentives of Rs. 2,377.56 crore had been disbursed to approved applicants, including Rs. 2,319.88 crore to EV manufacturers across multiple vehicle segments.

PLI for Advanced Chemistry Cell Battery Storage

The PLI ACC Scheme has an outlay of Rs. 18,100 crore and targets 50 GWh of cumulative Advanced Chemistry Cell manufacturing capacity in India. Its performance phase runs from 1 January 2025 to 31 December 2029. The source notes that batteries account for approximately 35-40% of an EV's total cost, making domestic battery manufacturing important for affordability and energy security.

Low GST on EVs

Electric cars, two-wheelers and three-wheelers attract a concessional GST rate of 5%, reducing the tax burden compared with conventional vehicles.

India's EV Growth Outlook

India's EV market is stated to be valued at USD 3.71 billion in 2025 and projected to reach USD 191.04 billion by 2034, at a CAGR of 54.94%. The EV battery market is projected to grow from USD 2.71 billion in 2025 to USD 15.90 billion by 2034, at a CAGR of 21.70%.

- India aims for 30% of all vehicle sales to be electric by 2030.
- The ecosystem is expected to be supported by 1.32 million charging stations across India by 2030.
- The transition supports India's energy-security priorities, reduced oil imports and the 2070 net-zero vision.

Future Regulatory Direction

The Government is developing the next phases of Corporate Average Fuel Efficiency norms. Proposed CAFE III for 2027-2032 and CAFE IV for 2033-2037 introduce stricter CO2 targets based on the Worldwide Harmonised Light Vehicle Test Procedure. The proposed limits are 91.7 g CO2/km for CAFE III and 70 g CO2/km for CAFE IV, alongside a proposed super-credit mechanism.

Conclusion

India's electric mobility transition is being shaped by accelerating demand, expanding domestic manufacturing, technology development, policy incentives and charging infrastructure. The PIB backgrounder identifies deeper supply-chain integration, battery localization and robust charging infrastructure as central to India's future position in the global EV ecosystem.