

'Will never give firm-specific incentives in EV sector'

Official says if the government has to consider providing incentives, then it will only be for all EV makers and entrants

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India will never provide company or enterprise-specific incentives in the electric vehicle sector, a top government official said on Friday, amid a push from American electric carmaker Tesla for special sops to set up its factory in the country.

If the government has to consider providing incentives then it will only be for all EV makers and entrants who want to come to India, the official said.

The official added that inter-ministerial discussions have happened on the customs duty concession demand of the US-based

electric car maker Tesla, but "we never" came to any conclusion on those.

In 2021, the US-based electric car maker demanded a reduction in import duties on electric vehicles (EVs) in India.

It had requested the government to standardize the tariff on electric cars to 40 per cent irrespective of the customs value.

At present, cars imported as completely built units (CBUs) attract customs duty ranging from 60 per cent to 100 per cent, depending on engine size and cost, insurance and freight (CIF) val-

ue less or above USD 40,000.

"Never. It will never be a company-specific. It will always be for all entities, companies. If any concessions are given, these will always be linked to fairly stringent performance criteria for everybody. It's never going to be an enterprise-specific thing," the official said when asked if the government is considering specific concessions for Tesla.

The official clarified that the reports on duty concessions and others related to the company are "mostly in the nature of

Official added that inter-ministerial discussions have happened on the customs duty concession demand

speculation".

"They have asked for some concessions but we never came to any conclusion. Nothing has come to any conclusion at all on that," the official added.

Last month, Commerce and Industry Minister Piyush Goyal visited the manufacturing facility of US-based electric vehicle major Tesla in Fremont, California and said that the company would be doubling its auto components imports from India.

The world's largest electric car producer Tesla Inc's chief Elon Musk met Prime Minister Narendra Modi in June in New York and after the meeting Musk had said that he planned to visit India in 2024.