

NITI Aayog bats for national EV policy with clear targets

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Government think tank NITI Aayog on Monday pitched for a national EV policy with clear targets and timelines to fast-track India's electric mobility transition.

The Aayog, in its report titled *Unlocking a \$200 billion opportunity: Electric vehicles in India*, further recommended expanding corporate average fuel efficiency (CAFE) norms to a wider segment of vehicles.

The report called for establishing a national EV policy with clear targets and timelines, and a regulatory

framework with phased EV mandates. It also pitched for a clear policy, with target timelines, for zero-emission vehicle (ZEV) adoption.

"Create a pooled fund with contributions from the public budget and multilateral development banks for providing lower-interest loans for the procurement of e-buses and e-trucks," the report said, and suggested designing and launching an appropriate scheme to channel funds.

DELIVERY MODELS

The Aayog also called for prioritising service delivery models over asset procurement, shifting capital costs to operating expenditures

and scaling R&D efforts to drive down battery costs, enhance energy density and reduce reliance on imported rare earth materials.

"Strategic scaling of charging infrastructure and enhancing public awareness and information systems are critical enablers," the Aayog said. India seeks to attain a 30 per cent share of electric vehicles in total vehicles sold by 2030.

Sales of EVs in India increased from 50,000 in 2016 to 2.08 million in 2024, against global EV sales of 9,18,000 units in 2016 to 18.78 million in 2024. The report said India's transition had been slow to start with, but it is picking up.

Noting that India's EV penetration was only about one-fifth of the global penetration in 2020 but had picked up to over two-fifths in 2024, the report said it continues to show an increasing trend, though relatively slow.

ELECTRIC MOBILITY INDEX

Delhi, Maharashtra and Chandigarh have emerged as frontrunners in NITI Aayog's first India Electric Mobility Index (IEMI), which assesses performance across three themes of EV adoption, charging infrastructure readiness and EV technology and innovation.

The Aayog, in its report titled *India Electric Mobility Index 2024*, evaluated all

States and Union Territories across 16 indicators under three core themes.

In transport electrification, Delhi and Maharashtra are the frontrunners while Haryana, Karnataka, Ladakh and Himachal Pradesh lead in charging infrastructure readiness.

In terms of EV research and innovation, the Aayog said Delhi, Tamil Nadu, Maharashtra, Karnataka, Haryana and Telangana stand out as front-runners. According to the Aayog, currently 29 States and UTs have notified EV policies, with four in the draft stage where policies drive localised action through targeted incentives and regulatory support.