

Incentives not required for personal EV segment, says Tata Motors MD

'But sops will help develop better ecosystem for fleet vehicle segment'

OUR BUREAU

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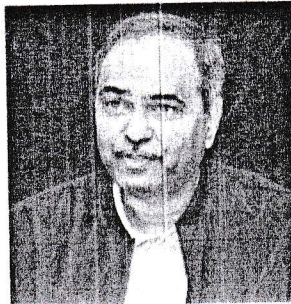
Country's largest electric car-maker, Tata Motors, on Thursday said incentives have a lesser role to play for the personal segments of electric vehicles (EVs), but they should continue for fleet vehicles.

"Incentives have a lesser role to play in EV sales ... in personal segment, incentives were not there anyways; at least not in the FAME scheme (phase-2). But in certain States, it helped bring in certain minimum vehicles on the roads. Currently, you can see the sales momentum continuing even after incentives," Shailesh Chandra, MD - Passenger Vehicles and Electric

Chandra said Tata Motors expects 20 per cent of its total passenger vehicle sales in the domestic market to come from EVs in the next three years. The company is also working on flex-fuels and expects its product portfolio to be E20 (20% ethanol) compliant by 2025.

Vehicles, Tata Motors, told reporters here on the sidelines of the 62nd SIAM Annual Convention.

In the fleet segment, incentives play a big role, he said, adding: "I think the government at least, should support lower GST rate, which they have been ... not all States have opened up for road tax (waiver). So if these two supports are kept, for a time period where at least 20 per



Shailesh Chandra, MD - PVs & EVs, Tata Motors BIJOY GHOSH

cent penetration happens so that the ecosystem develops, people will consider EVs."

EV sales target

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"Right now, it (EV penetration) is between 8 per cent and 8.5 per cent and the models in which we have electric, it is roughly 25 per cent," he said adding that last year, the company ended at 5 per cent. Before that, the share was at 2 per cent and the year before that, it was at 1 per cent. This fiscal itself, the company expects to reach the 10 per cent mark.

Reduced waiting period

On the semiconductor shortage, Chandra said the situation was under control although not fully resolved. He added that the company is witnessing fresh demand for its vehicles and that "pent up demand" is over.

The waiting period has also come down to about four weeks to three months across its PV portfolio.