# **ELECTRIC VEHICLES IN INDIA: LEGAL FRAMEWORK, ENVIRONMENTAL IMPACT, AND GLOBAL COMPARISONS**

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#### ABSTRACT:

Electric Vehicles (EVs) have the potential to solve major environmental issues like pollution in the air, emissions of greenhouse gases, and reliance on petroleum and coal, and they are set to become a revolutionary force in global transportation. One of the biggest and most populated nations, India, has acknowledged the value of green cars in its quest for sustainable growth. The National Electric Mobility Mission Plan (NEMMP) and the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) program are two of the policies and incentives the Indian government has put in place to encourage the use of EVs. Yet, obstacles like poor charging infrastructure, expensive startup costs, and low consumer awareness continue to be major obstacles to the widespread adoption of EVs in spite of these attempts

This paper critically examines India's legal framework governing electric vehicles, comparing it with transnational practices in countries like the United States, China, and the European Union. The paper also dives deeper into the environmental benefits of EVs, similar as reduced carbon emissions and better air quality, alongside the profitable and social advantages of transitioning to electric mobility. On the other side, the paper discusses the disadvantages of EV relinquishment, similar as high outspoken costs and challenges related to battery manufacturing and disposal. Also, the paper evaluates the current growth in the line of EVs in India and forecasts its eventuality for unborn development, considering both domestic and global trends. This analysis will offer perceptivity

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into how India can accelerate its transition from conventional Internal Combustion Engine (ICE) powered vehicles to an electric vehicle system grounding the transportation ecosystem.

**Keywords:** Electric Vehicles (EVs), India, Sustainable Transportation, National Electric Mobility Mission Plan (NEMMP), FAME Scheme, Legal Framework, Environmental Impact, Greenhouse

#### PREFACE

Shifts in the global automotive geography with a relinquishment trend towards electric vehicles( except certain countries where mass use is planned) have each been geared toward risking the earth from climate change, improving air quality, and weaning people off fossil energies. India, being the largest client base for motorcars, has thrown its lot into this battle with the rest of the world's races. Evident was the government's drive to promote EVs through colorful effective policy and other programs aimed at making up a transport system that's seen as sustainable and environmentally friendly. In this paper, colorful EV programs of India are anatomized, drawing parallels with programs at the transnational position and the environmental dimension, the economics and social aspects, challenge identification, and unborn growth eventuality.

#### INDIA'S LEGAL FRAMEWORK FOR EVS

India aviators the drive for EV development with a large number of programs and programs that breed an enabling terrain for manufacturers and consumers.

#### NATIONAL ELECTRIC MOBILITY MISSION PLAN( NEMMP)

Launched in 2013, the NEMMP strives to attain public energy security by hybridization and electrification of vehicles. The National Electric Mobility Mission Plan aims at moving 6-7 million electric and cold-blooded vehicles onto the roads every time by 2020 with the following expedients of reducing dependence on fossil energies and vehicular emigrations in the country.

FASTER RELINQUISHMENT AND MANUFACTURING OF HYBRID AND ELECTRIC VEHICLES( FAME) SCHEME The FAME India scheme, launched in 2015, represents India's flagship program for promoting electric mobility in the country. The fiscal impulses are for the entire diapason of electric and cold-blooded vehicles- two- wheelers, three- wheelers, four- wheelers, and motorcars. Multiple phases have went down

since the launch, and the most advanced, FAME II, began in 2019, extending support with a total allocation of over INR 10,000 crore( about USD 1.3 billion) for promoting EV relinquishment and structure charging structure.

#### PRODUCT- LINKED INCITEMENT( PLI) SCHEME

The product Linked incitement scheme is a government action in India, designed to boost domestic manufacturing and promote exports by offering fiscal impulses to companies that meet specific product and import targets. These impulses are directly tied to the incremental increase in product and deals of goods manufactured in India. The PLI scheme aims to make Indian manufacturing encyclopedically competitive, attract investments and reduce reliance on significances.

#### STATE INITIATIVES

Karnataka has rolled out the first complete EV policy at the state level in India for 2017, providing incentives for EV manufacturing as well as charging infrastructure. In a similar tone, Delhi formation is concerning the EV policy, which would assist consumers with incentives in terms of electric two-wheelers and public transport vehicles.

#### COMPARING INTERNATIONALLY (US, CHINA, EU)

Analyzing the policies that India takes in the field of electric mobility and comparing them with those of the three other mega economies paints a clear picture of the different approaches taken to electric mobility promotion. This shows that being a developed nation with an abundance of resources and knowledge these mega powers have emerged themselves as a key manufacturing player in the EV market and dominate the upcoming and emerging market of Electric Vehicles. Some of the prominent companies manufacturing EVs are Tesla (USA), BYD (China), Mercedes Benz (EU).

#### **ENVIRONMENTAL IMPACT**

The electrification of the transport sector in India has a number of environmental advantages, but there are also negative effects.

#### SIGNIFICANT REDUCTION IN GREENHOUSE GAS EMISSIONS

It is predicted that converting to EVs can substantially curb greenhouse gas emissions from the transport sector, an important contributor to the overall emissions in India. Electric vehicles are 'zero emission' vehicles, and their proliferation will inject an altogether different freshness and health into air, especially urban air.

#### A CRITICAL CONUNDRUM ABOUT BATTERY PRODUCTION

Battery manufacturing offsets some of the positives associated with EVs. The processes involved in the extraction and processing of elements such as lithium, cobalt, and nickel are energy-intensive and cause environmental degradation.Furthermore, the mining of Lithium is a very difficult task and requires heavy machineries which run of fossil fuels such as diesel which indeed contribute to greenhouse emissions. Also extracting lithium and making batteries out of it requires large amounts of freshwater as water is used to extract lithium by pumping the brine to the surface and allowing it to evaporate in large ponds, thus concentrating lithium. Other than mining water is also used drilling, testing samples, transporting materials and washing of the final product. Adding on, the problem is India's over-dependence on imported lithium-ion batteries makes the sustainability of its EV ecosystem more complex. However recently in February, 2023 India has discovered its first lithium mine in Jammu and Kashmir. The Geological Survey of India announced the discovery of 5.9 million tonnes of lithium reserves in the Salal-Haimana area of Reasi district. This discovery of lithium marked the significant milestone for India's efforts to secure its lithium requirements.

#### **EXPECTED POLLUTION HOTSPOTS**

Evidence suggests that the promotion of battery manufacturing along with the operations, which follow, could create pollution hotspots unless strict environmental regulations are applied. Hence, sustainable interventions are warranted in entire EV value chains.

#### **ECONOMIC AND SOCIAL ASPECTS**

Electric vehicles are economically and socially rich in incisions and contours above and below various socio-economic parameters in India.

#### **ECONOMIC GROWTH AND EMPLOYMENT GENERATION:**

The rapidly growing electric vehicle industry is seen as an impetus to the nation's economic growth and employment economy. As it could also generate new jobs in the industry thus reducing unemployment rate. With electric mobility comes establishment of new manufacturing plants, and development of charging infrastructure and maintenance service outlets, generating various job profiles in the nation. Emerging job types include battery engineers, software developers, and technicians in the electric vehicle sector. Other then employment generation the induction of Electric Vehicles also attract various Foreign Companies in the field of Electric Vehicles to invest and set up their production units in India and also helps in attracting FDI.

Novo overtask of rental EVs are providing rent income opportunities-creating new frontiers in economic sectors. Besides offering cheap alternatives for consumer transport, EV rental companies are mutually creating lots of jobs in fleet management and allied services.

## SOCIAL IMPACTS

An important social impact of electric vehicle transformation, for instance, it has been shown by those initiatives that give rickshaws to the underprivileged: it has already been able to uplift communities and create livelihoods. For example, a trans woman in Bengaluru, after getting an electric rickshaw as a donation, moved from begging to stable income, along with gaining respect and independence from finances.

Clinical benefits for urban centers affected by pollution are derived from the use of EVs in such cities; fewer emissions induce health benefits and overall living conditions for city dwellers.

## **CHALLENGES IN INDIAN CONTEXT**

Ever since the growth prospects appeared promising in India, several challenges stand in the way of the larger acceptance of EVs.

## INFRASTRUCTURE LIMITATIONS

Inadequate charging infrastructure is a primary concern. With charging stations being few and far between, prospects for prospective users generate range anxiety, inhibiting their transition to electric vehicles. In turn, low acceptability acts against the establishment of charging infrastructure, and vice versa.

## HIGH INITIAL COST

The other drawback is price: electric cars are still priced higher than ICE cars. Financial incentives provided by the government may counter this issue to a certain extent, but this cost factor continues to impede adoption by a large segment of the consumer base.

## **CONSUMER AWARENESS AND PERCEPTION**

Limited awareness and misconceptions are still obstructing the adoption of EVs. Battery life, maintenance cost, and vehicle performance have caused a great deal of consumer hesitation. These are perceptions that can only be corrected by awareness programs and actual experience.

#### **D**EPENDENCE ON IMPORTS

The overdependence of the Indian industry on imported components such as lithium-ion batteries creates an economic and strategic problem for the country. Dependence on foreign players may lead to vulnerability in the supply chain and be a disadvantage to the price competitiveness of EVs made in the country.

## FUTURE GROWTH AND OPPORTUNITIES

Despite these challenges, the future of EVs in India seems bright and comes with several utilities in hand.

## **GOVERNMENT INITIATIVES AND POLICY SUPPORT**

The Indian government has been the very important facilitator of adoption with mechanisms like the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) Scheme and the Production-Linked Incentive (PLI) Scheme. These schemes intend to provide financial support, build infrastructure, and promote local manufacturing.

## INVEST IN LOCAL MANUFACTURING

Reduction of product costs, in this case, will decrease import dependence, given that level indeed gets enhanced through local battery manufacturing. Companies like Tata Motors are quite seriously considering setting up local battery production to keep their EV operations competitive.

## **CHARGING INFRASTRUCTURE WORKS**

The deployment of a comprehensive charging network is fundamental in combating range anxiety and stimulating EV sales. The public and private sectors can partner for the expansion of charging infrastructure in urban and rural areas.

## NEW TECHNOLOGICAL INNOVATIONS

Battery technology advancements, such as the development of solid-state batteries, will positively influence EVs on account of efficiency, range, and price. R&D investments in this area could catapult India into a leading EV Technology. Furthermore

# **CONSUMER AWARENESS PROGRAMS**

Implementing educational campaigns to inform the public about the benefits and practicalities of EV ownership can address misconceptions and encourage adoption. Test-drive events, informational seminars, and media campaigns can be effective tools in this endeavor.

# CRITICAL WAY TAKEN BY GOVERNMENT OF INDIA TO PROMOTE ELECTRIC VEHICLES

India itself is an active part of the countries which are heavily promoting EVs as similar vehicles are a benefit for countries with a high population viscosity and a large number of vehicle on road which contribute to heavy air pollution. In India EVs can hold utmost practicality in the areas having high vehicle viscosity and congested business, similar as Delhi, Kolkata, Mumbai, Bangalore, etc. With regard to similar problems India has taken pivotal way to dive the problem of pollution and promote EVs.

In recent times, sustainable growth has cropped as a major concern across the globe, encouraging governments to align their policy fabrics witheco-friendly development. In India, the Union Budget 2023 linked" Green Growth" as one of its top seven precedences, pressing the nation's commitment to environmentally responsible progress. One notable action in this direction is Section 80EEB of the Income Tax Act, which provides a duty deduction of over to Rs. 1.5 lakh

on interest paid for loans taken specifically to buy electric vehicles( EVs). This section is designed to support the relinquishment of electric mobility results by offering duty impulses and encouraging individualities to shift towards cleaner modes of transportation.

Section 80EEB has specific features and eligibility criteria. The deduction is available simply to individual taxpayers under the old duty governance and not to other realities similar as HUFs, companies, or hookups. It applies whether the EV is used for particular or business purposes. In business scripts, interest beyond Rs. 1.5 lakh can also be claimed as a business expenditure, handed the vehicle is registered in the name of the taxpayer or their business. still, taxpayers must secure the interest- paid instrument and maintain all applicable attestation, including loan papers and duty checks, to mileage of this benefit. also, only loans sanctioned between 1 April 2019 and 31 March 2023 by fiscal institutions ornon-banking fiscal companies are eligible under this section. The electric vehicle must be completely powered by an electric motor and equipped with a regenerative retardation system.

To further promote electric vehicle relinquishment, the Government of India launched Phase- II of the FAME(Faster Relinquishment and Manufacturing of Electric Vehicles) scheme. This action aims to give fiscal impulses for electric vehicle buyers and encourage the development of necessary structure similar as charging stations. The alternate phase of the scheme, which ran from April 1, 2019, to March 31, 2024, expanded upon its precursor with a significantly increased budget from Rs. 10,000 crore to Rs. 11,500 crore. It covers electric two- wheelers, three- wheelers, and four- wheelers, thereby icing wide- scale participation across colorful vehicle orders. By offering similar schemes alongside duty benefits like Section 80EEB, the Indian government is laboriously working to produce a greener, more sustainable future through enhanced electric mobility results.

## CONCLUSION

The transition to electric vehicles( EVs) in India is n't simply a technological or artificial shift it represents a vital movement towards environmental sustainability, profitable adaptability, and social progress. With the brewing pitfalls of climate change, rapid-fire urbanization, and reactionary energy reduction, EVs crop as a transformative result for cleaner and more effective transportation. India, feting the critical significance of this shift, has proactively enforced

comprehensive programs like the National Electric Mobility Mission Plan( NEMMP), the FAME schemes, and the product Linked incitement( PLI) program. These enterprise have laid the foundation for a robust EV ecosystem by incentivizing both product and relinquishment, as well as creating the necessary structure to support this transition.

Despite the well- intentioned strategies, the path to large- scale EV relinquishment in India is n't without its challenges. Issues similar as shy charging structure, high original vehicle costs, dependence on imported lithium- ion batteries, and limited public mindfulness continue to hinder wide EV acceptance. nevertheless, the discovery of lithium reserves in Jammu and Kashmir marks a significant corner that could ultimately reduce India's reliance on significances and beget the growth of a tone- sufficient EV assiduity. also, the social benefits are decreasingly visible, particularly in civic areas where EVs have the eventuality to ameliorate air quality and contribute to better public health issues.

also, the profitable counteraccusations are vast. From job creation in battery manufacturing and charging structure to attracting foreign investments and fostering invention, the EV sector is getting a crucial motorist of India's green frugality. Socially, EV relinquishment has proven to be a means of commission for marginalized communities, especially through programs that give electric cabs to the depressed, offering them fiscal independence and societal quality.

The addition of Section 80EEB in India's duty laws further underlines the government's commitment to green mobility. By furnishing individual duty deductions on EV loan interest, the policy offers a strong incitement to middle- class buyers, thereby accelerating relinquishment at the grassroots position. Combined with the ongoing support under FAME II and future- orientated strategies, India is gradationally creating a conducive terrain for electric mobility to thrive.

In conclusion, while India's trip toward electric mobility is still evolving, the direction is easily defined. Through patient policy support, technological invention, public-private hookups, and mindfulness enterprise, India can overcome the being hurdles and position itself as a global leader in sustainable transportation. The integration of environmental, profitable, and social perspectives ensures that the future of mobility in India isn't only electric but also indifferent and enduring.

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