

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 3269
ANSWERED ON 28.03.2025

PM E-DRIVE SCHEME

3269. SHRI SADANAND MHALU SHET TANAVADE:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) the salient features, key components and objectives of the PM E-DRIVE Scheme, including the incentives and financial support provided to promote EV adoption and the categories of eligible beneficiaries;
- (b) whether Government has introduced or plans to introduce state-specific initiatives under the scheme, particularly for EV adoption, charging infrastructure, local manufacturing, and MSME participation in EV component manufacturing, retrofitting, and service infrastructure, and if so, the details thereof; and
- (c) the State-wise targets set and the expected impact of the PM E-DRIVE Scheme concerning EV adoption, infrastructure expansion, and job creation?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a): The Government of India has notified 'PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme' on 29.09.2024 to provide impetus to the green mobility & development of EV manufacturing eco-system in the country. The scheme has an outlay of ₹10,900 crore over a period of two years from 01.04.2024 to 31.03.2026. The Electric Mobility Promotion Scheme (EMPS) 2024 implemented for the period of six months from 01.04.2024 to 30.09.2024, is subsumed in PM E-DRIVE scheme.

I. Salient features of PM E-DRIVE scheme:

- i. **Introduction of E- Vouchers:** - The Ministry of Heavy Industries (MHI) is introducing E-vouchers for Electric vehicle buyer to avail the demand incentive under the scheme.
- ii. **Introduction of new vehicle segments:** - An allocation Rs.500 crore each has been done for deployment of e-ambulances and e-trucks & other emerging EVs under the scheme. This is new initiative of MHI, Government of India to promote the use of e-ambulances for a comfortable patient transport. Similarly, e-trucks have also been introduced under the scheme since trucks are major contributors to air pollution.
- iii. **Upgradation of testing agencies:** Rs.780 Crore has been earmarked for upgradation of vehicles testing agencies.

II. The scheme has following three components:

- i. **Subsidies:** Rs.3,679 crore as demand incentives for e-2W, e-3W, e-ambulances, e-trucks & other new emerging EV categories;
- ii. **Grants for creation of capital assets:** Rs.7,171 crore as grants for e-buses, establishment of network of charging stations & upgradation of testing agencies identified under this Scheme; and
- iii. **Administration of Scheme including IEC** (Information, Education & Communication) activities and fee for Project Management Agency (PMA).

III. The categories of eligible beneficiaries are : -

- i. **Electric Vehicle Buyers:** The scheme has provisions for demand incentives for buyers of EVs (e-2Ws/e-3Ws/e-ambulances /e-trucks and other new emerging EV categories) to reduce the upfront cost of EVs.
- ii. **State/ City Transport Undertakings (STUs) and Public Transport Agencies:** The scheme allocates Rs.4,391 crore for the procurement of 14,028 electric buses primarily for cities with over 40 lakh population namely Mumbai, Delhi, Bangalore, Hyderabad, Ahmedabad, Chennai, Kolkata, Surat and Pune, on operational expenditure (OPEX)/Gross Cost Contract (GCC) model for providing affordable public transport to all section of society.
- iii. **Vehicle Testing Agencies:** The scheme earmarks Rs.780 Crore for the upgradation of vehicle testing agencies.

(b) & (c): The PM E-DRIVE scheme is being implemented on pan-India basis. No state-wise targets have been set under the PM E-DRIVE scheme. Further, the scheme facilitates the growth of the electric vehicle industry, infrastructure expansion and create job opportunities in the sector in the following manner:

- i. **Domestic Manufacturing:** The Phased Manufacturing Programme (PMP) mandates progressive localisation of EV components, boosting domestic manufacturing and reducing import dependence.
- ii. **Charging Infrastructure Development:** Investment in charging infrastructure creates opportunities for businesses and entrepreneurs in installation, maintenance, and operation.
