

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
STARRED QUESTION NO. 64
ANSWERED ON 25.07.2025

SUBSIDIES FOR ELECTRIC VEHICLES

64. SMT. KIRAN CHOUDHRY:

Will the Minister of Heavy Industries be pleased to state:

- (a) the steps taken by Government to provide subsidies for e-vehicles under PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE);
- (b) the manner in which the Production Linked Incentive schemes support the growth of Electric Vehicle (EV) manufacturing in the country;
- (c) whether Government plans to monitor the effectiveness of these incentives over the scheme period; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF HEAVY INDUSTRIES
(SHRI H.D. KUMARASWAMY)

(a) to (d): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF RAJYA SABHA
STARRED QUESTION NO. 64 FOR 25.07.2025 ASKED BY SMT. KIRAN CHOUDHRY
REGARDING “SUBSIDIES FOR ELECTRIC VEHICLES”**

(a): The PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme, with an outlay of Rs.10,900 crore for a period of two years, was notified by the Govt. of India on 29.09.2024. The scheme provides subsidies to the buyers of EVs in the form of reduced purchased price by the Original Equipment Manufacturers (OEMs) at the time of sale. The subsidy passed on to the buyers/ purchasers is subsequently claimed by the OEMs from the Government.

A total of Rs.3,679 crore has been allocated under the scheme to provide subsidies to buyers of e-2Ws, e-3Ws, e-ambulances and e-trucks. Further, an allocation of Rs.4,391 crore has been provided for supporting procurement of 14,028 e-buses.

(b): (i) The Government has approved the PLI Auto scheme for Automobile and Auto Component Industry in India on 23rd September 2021. With a budgetary outlay of Rs.25,938 crore, the scheme aims for enhancing India's manufacturing capabilities in Advanced Automotive Technology (AAT) products. The scheme proposes financial incentives to boost domestic manufacturing of AAT products with minimum 50% Domestic Value Addition (DVA). The scheme provides incentives on incremental sales ranging from 13% to 18% to manufacturers of electric vehicles and from 8% to 13% to manufacturers of AAT components.

(ii) The Government on 12th May, 2021 approved PLI Scheme for manufacturing of Advanced Chemistry Cells (ACC) in the country with a budgetary outlay of Rs.18,100 crore. The scheme aims to establish a competitive domestic manufacturing ecosystem for 50 GWh of ACC batteries. The production of ACC batteries will support the domestic manufacturing of electric vehicles.

(c) & (d): The incentives provided in PLI schemes are monitored through regular review meetings, stakeholder consultations and workshops. The applicants are supported by the Ministry and its testing agencies to meet the eligibility requirements for availing the benefits under the scheme.

The PM E-DRIVE scheme provides for a Programme Implementation and Sanctioning Committee (PISC) which reviews the progress of the scheme. The level of incentives is determined by the PISC considering the penetration of electric vehicles from time to time.
