

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 406
ANSWERED ON 22.07.2025

PM e-DRIVE AND PLI SCHEMES

†406. SMT. SHOBHANABEN MAHENDRASINH BARAIYA:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) the various concrete steps taken by the Government to encourage the use of electric vehicles under the PM e-Drive initiative particularly in the context of subsidy, incentives and policy support being extended to the consumers and the manufacturers;
- (b) the manner in which the Productivity Linked Incentive (PLI) schemes particularly Advanced Chemistry Cell (ACC) battery storage and Arvotal Automobile and Auto Component PLI are playing a pivotal role in promoting EV manufacturing in India;
- (c) whether there has been an increase in investment, localisation and employment through the same; and
- (d) whether the Government is implementing target based schemes in the urban/rural areas with the coordination of States and private partnership to strengthen EV charging infrastructure, green manufacturing and supply chain?

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

(a): The PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme, notified by Govt. of India on 29.09.2024 with an outlay of Rs.10,900 crore for a period of two years. The scheme encourages use of EVs by consumers in the following ways :

(I) Consumers : The scheme focusses on providing upfront subsidies to the buyers of EVs at the time of purchase of EVs. 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 as per details provided below:

Sl. No.	Segment	Total Subsidy Amount (Rs. crore)	No. of EVs
1.	e-2Ws	1,772	24.79 lakh
2.	e-3Ws	907	3.15 lakh
3.	e-ambulances	500	-
4.	e-trucks	500	5,643

Further, besides the incentivization of EVs, following provisions have been made under the PM E-DRIVE Scheme :

1. An allocation of Rs. 4,391 crore for 14,028 e-buses.
2. An allocation of Rs.2,000 crore for installation of EV charging stations
3. An allocation of Rs.780 crore for Upgradation of testing agencies

Further details are available at <https://pmedrive.heavyindustries.gov.in>

(II) Manufacturers: The PM E-DRIVE scheme requires compliance to Phased Manufacturing Programme, which mandates indigenization of manufacturing. This supports resilience in automotive supply chain in the country.

(b): The details are as under : -

(i) The Production Linked Incentive (PLI) Scheme for Automobile and Auto Components (PLI Auto) provides for incentive of 13% to 18% on determined (incremental) sales of advanced automotive technology (AAT) vehicles to applicants under Champion OEM category, and incentive of 7.2% to 13% on determined sales of AAT components (additional 5% incentive is provided for AAT components of battery electric vehicles) to applicants under Component Champion category. The scheme mandates minimum Domestic Value Addition (DVA) of 50% for availing incentives under the scheme which promotes manufacturing in India across the automotive supply chain.

(ii) The PLI Advance Chemistry Cell Scheme incentivises production of cells which are, inter-alia, used in batteries of electric vehicles. The domestic production of these cells will prove helpful in promoting EV manufacturing in India.

(c) & (d): Under the PLI Auto scheme, as on 31.03.2025 cumulative investment stood at Rs.29,576 crore and 44,987 (nos.) employment have been generated. To promote localisation, PLI Auto scheme mandates minimum DVA of 50% for availing incentives and as on 16.07.2025, 106 DVA certificates have been issued to approved applicants.

The above-mentioned schemes are pan India schemes and without any targets for urban /rural areas. Coordination of states and private partnership to strengthen EVN charging infrastructure under PM E-DRIVE scheme is being taken up. PLI Auto scheme promotes strengthening of domestic supply chain of AAT products by incentivising their production/sales.
