

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 556
ANSWERED ON 29.11.2024

PM E-DRIVE SCHEME

556. MS. KAVITA PATIDAR:
SHRI MITHLESH KUMAR:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

(a) the salient features, key components and objectives of the PM E-Drive Scheme; and

(b) the manner in which PM E-Drive Scheme incentives will help in increasing the demand for electric vehicles?

ANSWER

MINISTER OF HEAVY INDUSTRIES
(SH. H.D. KUMARASWAMY)

(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 Rs. 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.

Salient features of PM E-DRIVE scheme:

- i. **Introduction of E- Vouchers:** - The Ministry of Heavy Industry (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 ₹500 crore each has been done for deployment of e-ambulances and e-trucks 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. To avail subsidy on e-truck submission of a scrapping certificate from Ministry of Road Transport and Highways (MoRTH) approved vehicles scrapping centres (RVSF) has been made mandatory.
- iii. **Upgradation of testing agencies:** Rs. 780 Crore has been earmarked for upgradation of vehicles testing agencies.

The scheme has following three components:

- i. Subsidies: Demand incentives for e-2W, e-3W, e-ambulances, e-trucks & other new emerging EV categories;
- ii. Grants for creation of capital assets: 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).

(b): The PM E-DRIVE scheme will help in increasing the demand for electric vehicles (EVs) in India by:

- i. **Reducing Purchase Costs:** Financial incentives and subsidies for EV buyers helps to reduce the initial cost of EVs thereby making them more affordable compared to traditional vehicles.
- ii. **Improving Charging Infrastructure:** The scheme supports the establishment of public charging stations, addressing range anxiety and making EVs more practical for daily use.
- iii. **Encouraging Local Manufacturing:** Adoption of PMP promotes local EV manufacturing and reduce production costs, driving down prices and improving the availability of affordable EV options.
