

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES  
LOK SABHA  
UNSTARRED QUESTION NO.1680  
ANSWERED ON 10.02.2026

**FISCAL INCENTIVES UNDER PM E-DRIVE SCHEME**

**1680. SHRI P V MIDHUN REDDY:**

**Will the Minister of HEAVY INDUSTRIES be pleased to state:**

- (a) whether fiscal incentives are provided under the PM E-DRIVE scheme to promote electric two-wheelers;
- (b) if so, the details of these incentives including financial subsidies, tax exemptions and support measures for manufacturers and consumers;
- (c) whether there are any specific national targets for electric two-wheeler adoption under this scheme and if so, the details thereof;
- (d) whether measures are in place to ensure equitable distribution of incentives between urban and rural regions; and
- (e) if so, the details thereof including data on the effectiveness of these incentives in increasing electric two-wheeler adoption across different States, State-wise?

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

**(a):** Yes.

**(b) & (c):** Under the PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme, an outlay of Rs.1,772 crore has been earmarked for incentivising the deployment of 24,79,120 electric two-wheelers (e-2Ws) registered during the period 1 April, 2024 to 31 March 2026. The incentives are provided to eligible e-2W buyers in the form of an upfront reduction in the purchase price, which is subsequently reimbursed to the Original Equipment Manufacturers (OEMs) by the Ministry of Heavy Industries (MHI).

The scheme does not provide any tax exemptions to EV manufacturers. While the direct incentives under PM E-DRIVE are targeted at consumers, manufacturers are supported through the Production Linked Incentive (PLI) Scheme for Automobile and Auto Components, which offers incentives in the range of 13% to 18% of the determined sales value for eligible Advanced Automotive Technology (AAT) products.

Further, as a condition for availing benefits under the PM E-DRIVE Scheme, manufacturers are required to comply with a Phased Manufacturing Programme (PMP), which mandates progressive localisation of specified electric vehicle components with the objective of strengthening the domestic EV manufacturing ecosystem.

**(d):** The scheme is implemented on a pan-India basis, ensuring that incentives are available in urban and rural areas alike.

**(e):** As on 05.02.2026, a total incentive amount of 1,182.32 crore has been reimbursed to the OEMs by the Ministry for 14,39,224 e-2Ws under the PM E-DRIVE Scheme. The State/UT-wise details of the number of e-2Ws incentivised under the PM E-DRIVE Scheme during 01.04.2024 to 05.02.2026 are provided below:-

<b>Sl. No.</b>	<b>State</b>	<b>No. of e-2Ws incentivized</b>
1	Maharashtra	2,71,849
2	Karnataka	1,57,534
3	Tamil Nadu	1,43,914
4	Uttar Pradesh	1,15,246
5	Rajasthan	94,004
6	Madhya Pradesh	88,869
7	Kerala	87,524
8	Odisha	74,804
9	Andhra Pradesh	72,372
10	Gujarat	70,427
11	Telangana	51,085
12	Chhattisgarh	36,317
13	West Bengal	30,423
14	Delhi	30,287
15	Punjab	29,092
16	Bihar	22,982
17	Haryana	18,784
18	Jharkhand	10,232
19	Goa	9,235
20	Uttarakhand	8,938
21	Puducherry	4,273
22	Assam	3,827
23	Jammu and Kashmir	2,741
24	Chandigarh	1,641
25	Himachal Pradesh	1,050
26	Mizoram	625
27	Tripura	529
28	Meghalaya	179
29	Manipur	162
30	Daman and Diu	106
31	Dadra and Nagar Haveli	78
32	Arunachal Pradesh	32
33	Andaman and Nicobar Islands	31
34	Sikkim	14
35	Lakshadweep	9
36	Nagaland	9
	<b>Total</b>	<b>14,39,224</b>

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