Ministry of Heavy Industries

Year End Review 2025:Ministry of Heavy Industries

“2025: Ministry of Heavy Industries Drives India’s EV Leap with Record PLI Investments and PM E-DRIVE Success”

“From EVs to Advanced Batteries: MHI Powers ‘Make in India’ with Mega Manufacturing Push in 2025”

“PLI, PM E-DRIVE and e-Bus Sewa: 2025 Emerges as a Landmark Year for India’s Clean Mobility Transition”

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The key initiatives/achievements/events of Ministry of Heavy Industries (MHI) during the year are as under-

The Production Linked Incentive (PLI) Scheme for Automobile and Auto Components Industry, with a budgetary outlay of Rs. 25,938 crore aims to enhance India’s manufacturing capabilities for Advanced Automotive Technology (AAT) products, overcome cost disabilities and build a robust supply chain. Approved on 15.09.2021 the scheme covers the period FY 2023-24 to FY 2027-28, with incentive disbursements from FY 2024-25 to FY 2028-29. The scheme offers incentives of 13%-18% for Electric Vehicle and Hydrogen Fuel Cell components and 8%-13% for other AAT components. There are 82 approved applicants, with an estimated investment of Rs. 42,500 crore, incremental sales of Rs. Rs. 2,31,500 crore, and

1.48 lakh jobs over five years.

Under the PLI–Auto Scheme, cumulative investment of ₹35,657 crore and cumulative determined sales of ₹32,879 crore has been achieved till 30.09.2025. Further, employment of 48,974 number has been generated.

Under the PLI–Auto Scheme, FY 2023–24 was the first performance year, claims of ₹322 crore were disbursed in FY 2024–25 and for performance year 2024–25, claims of ₹1,999.94 crore has been disbursed.

Under the scheme, till 31.12.2025, incentives have been provided for a total of 13,61,488 units (i.e. 10,42,172 units of electric two-wheelers (e-2W), 2,38,385 units of electric three- wheelers (e-3W), 79,540 units of electric four-wheelers (e-4W), and 1,391 electric buses (e- buses). PLI Auto scheme incentivises only those products which achieve Domestic Value Addition (DVA) of minimum 50%. As of 31.12.2025, eight (8) applicants under the Champion OEM category have received Domestic Value Addition (DVA) certification for 94 variants, while ten (10) applicants under the Component Champion category have received DVA certification for 37 variants.

PM E-DRIVE Scheme: PM E-DRIVE Scheme has been launched on 29.09.2024 with an outlay of Rs.10,900 crore. The EMPS-2024 has been subsumed under the PM E-DRIVE Scheme, and the implementation period under the PM E-DRIVE scheme was initially for a period of two years i.e. 01.04.2024 till 31.03.2026. Subsequently, MHI notified extension of

the PM E-DRIVE scheme until 31.03.2028. However, terminal date for e-2W and e-3W has been retained at 31.03.2026.

The objective of PM E-DRIVE scheme is to promote faster adoption of electric vehicles (EVs), setting up of charging infrastructure and development of EV manufacturing eco- system in the country.

The allocation includes Rs.3,679 crore for subsidies to incentivize more than 28 lakh EVs including 24.79 lakh e-2Ws, 3.28 lakh e-3Ws [2.89 lakh e-3Ws L5 & 39,034 e-rickshaws & e-carts], e-ambulances and 5,643 e-trucks; Rs.4,391 crore for deployment of 14,028 e-buses by public transport agencies; Rs.2,000 crore for setting up of adequate number of EV public charging stations; Rs.780 crore for upgrading testing agencies and Rs.50 crore towards administrative expenses.

Achievements made under PM E-DRIVE scheme are as under:

i. As of 31.12.2025, claims amounting to Rs.1,703.32 crore have been disbursed and Total 21,36,305 nos. of Electric vehicles have been sold under the scheme.
ii. The target for e-3W (L5) (2,88,809 Nos.) was achieved in December 2025, well ahead of the scheme's terminal date.
iii. CESL has concluded the e-Bus tender of 10,900 one the largest so far covering 5 metropolitan cities (Delhi, Ahmedabad, Surat, Hyderabad and Bangalore) in phase 1. The rates discovered are conveyed to respected cities for placement of LoA and signing of Concession Agreement.
iv. Guidelines for e-trucks, EVPCS and upgradation of testing agencies have been issued.

The Scheme to Promote Manufacturing of Electric Passenger Cars (SMEC) MHI has notified the Scheme on March 15, 2024 aiming to attract global investments, promote India as a manufacturing hub for electric vehicles (e-4Ws) and boost domestic value addition (DVA). Approved applicants are required to invest a minimum of Rs. 4,150 crore (USD 500 million) within three years, achieving 25% DVA during this period and 50% within five years. The scheme allows limited imports of e-4Ws at reduced customs duty, capped at 8,000 vehicles per year, with a total duty foregone per applicant limited to Rs. 6,484 crore or the committed investment. The initiative aligns with "Make in India," encouraging indigenous manufacturing and employment generation while integrating with the PLI-Auto scheme.

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The PM e-Bus Sewa – Payment Security Mechanism (PSM) Scheme:

MHI has notified the Scheme on October 28, 2024 with a total financial outlay of Rs. 3,435.33 crore, aims to ensure payment security for OEMs/operators in case of default by Public Transport Authorities (PTAs) for e-bus procurement and operations under Gross Cost Contract (GCC) or similar models. Covering 38,000 or more e-buses for up to 12 years, the scheme includes mechanisms such as Escrow Accounts and Direct Debit Mandates (DDM) with RBI to recoup funds in case of non-payment. PTAs are required to repay disbursed funds within 90 days. MHI has designated Convergence Energy Services Limited (CESL) as the implementing agency and formed a Steering Committee for monitoring. The scheme supports sustainable urban mobility by fostering private investment and promoting risk management in e-bus adoption. The detailed Standard Operating Procedures (SOPs) has been issued.

As of 22nd December 2025 the Direct Debit Mandate (DDM), which is an essential requirement under the Scheme, is submitted to Reserve Bank of India (RBI) by 15 State/UTs (Gujarat, Karnataka, Rajasthan, Punjab, Telangana, Andhra Pradesh, Madhya Pradesh, Meghalaya, Maharashtra, Uttarakhand, Odisha, J&K, Puducherry, Assam and Manipur), who have participated in either PM E-DRIVE Scheme of MHI or PM-eBus Sewa Scheme of MoHUA.

Production-Linked Incentive (PLI) Scheme for Advance Chemistry Cell (ACC) Battery Storage: The Ministry of Heavy Industries is administering the Production Linked Incentive (PLI) scheme namely “National Programme on Advanced Chemistry Cell (ACC) Battery Storage,” approved in May 2021 with a total outlay of Rs. 18,100 crore to establish 50 GWh of domestic Advanced Chemistry Cell manufacturing capacity. Total scheme period is 7 years with first 2 years as gestation period and next 5 years as performance period.

Out of total targeted ACC capacity of 50 GWh, 30 GWh capacity has been awarded during round-1 of the bidding to 3 beneficiary firms viz. M/s ACC Energy Storage Pvt. Ltd. (5 GWh); M/s Ola Cell Technologies Pvt. Ltd. (20 GWh) & Reliance New Energy Battery Storage Ltd. (5 GWh) and 10 GWh capacity has been awarded during round-2 of the bidding to 1 beneficiary firm i.e. M/s Reliance New Energy Battery Ltd. The remaining 10 GWh capacity has been earmarked for Grid Scale Stationary Storage applications.

M/s Ola Cell Technologies Pvt. Ltd. has established a Giga-Scale ACC manufacturing plant with an installed capacity of 1 GWh. Since March 2024, the firm has commenced pilot production and is presently working toward stabilizing operations for full-scale commercial production.

The scheme has attracted an investment of Rs. 2,878 crore and employment of 1,118 till 30.10.2025.

Scheme on Enhancement of Competitiveness in the Indian Capital Goods Sector- Phase- II

On January 25, 2022, the Ministry of Heavy Industries (MHI) has notified the Scheme on Enhancement of Competitiveness in The Indian Capital Goods Sector- Phase-II for providing assistance to Common Technology Development and Services Infrastructure. The scheme has a financial outlay of Rs. 1207 crores with budgetary support of Rs.975 crore and Industry Contribution of Rs.232 crore. There are six components under the Scheme for Enhancement of Capital Goods Sector Phase II, namely:

a. Identification of Technologies through Technology Innovation Portals;
b. Setting up of four New Advanced Centres of Excellence and augmentation of Existing Centres of Excellence;
c. Promotion of skilling in Capital Goods Sector–creation of Qualification packages for skill levels 6 and above;
d. Setting up of four Common Engineering Facility Centres (CEFCs) and augmentation of existing CEFCs;
e. Augmentation of Existing Testing and Certification Centres;
f. Setting up of ten Industry Accelerators for Technology Development

Under Phase II of the Scheme, a total of 29 projects with project cost of Rs. 891.37 crores and Govt Contribution of Rs. 714.64 crore have been sanctioned so far. These 29 projects include 7 Centres of Excellence (CoEs), 4 Common Engineering Facility Centres (CEFCs), 6 Testing and certification centres, 9 Industry Accelerators for Technology development and 3 projects for Creation of Qualification Packs for skill level 6 and above.

Achievements of Capital Goods Scheme:

1. C4i4, Pune has developed the Industry 4.0 Maturity Model (I4MM) tailored for Indian manufacturing companies and, under this initiative, has compiled over 50 Industry 4.0 use cases, conducted more than 100 digital maturity assessments primarily in the automotive sector, identified over 500 improvement initiatives, trained more than 500 digital champions, and launched a free online self-assessment tool to help MSMEs accelerate the adoption of Industry 4.0.
2. A Common Engineering Facility Centre (CEFC) was established at the Welding Research Institute, under which more than 9,000 personnel were trained. In addition, to address skill gaps across different sectors, 58 Qualification Packs (QPs) for high-

end technologies were sanctioned, of which 48 have been completed. Further, over 92,000 students, academia members, and industry professionals were connected through Technology Innovation Platforms (TIPs).

3. Technologies developed under the Scheme have entered export markets, including France, Belgium, Qatar, and other countries. ARTPARK, IISc Bengaluru has developed and commercialized three technologies through online e-commerce platforms. CG Scheme Phases I and II together have generated ₹309.17 crore in revenue. The Scheme has also delivered strong intellectual property outcomes, with 80 patents filed, including International Patents and 18 IPRs granted till date.
4. CMTI developed 15 MSME-oriented technologies in Digital Twin, Automation, IoT, and Industry 4.0 domains. Whereas, IIT Delhi developed 10 technology solutions covering Automation, IIoT, Smart Sensing, OPC UA implementation, Machine-to-Machine communication, Augmented Reality, Part Tracking, and Barcode Scanning.
5. Five products developed under the Scheme were displayed at IMTEX 2025, and four products developed under the Scheme were launched at the Delhi Machine Tools Expo 2025.

Other Initiatives-

1. The Ministry of Heavy Industries organized a Round Table Conference on "Aggregation of Multi-Sectoral Long-Term Battery Storage Capacity Demand and Preparation of a Long-Term Action Plan to meet the demand" at Vigyan Bhawan, New Delhi, on 25.11.2025
2. The Ministry of Heavy Industries organised a Chintan Shivir on "Alternate & Emerging Technologies in E-Motors" at Vigyan Bhawan, New Delhi. The event brings together industry leaders, experts and stakeholders to discuss and deliberate on advancing greener technologies for E-Motors and boosting India's clean mobility ecosystem.
3. Hon'ble Union Minister of Heavy Industries & Steel Shri H.D. Kumaraswamy launched the Scheme to incentivise e-Trucks under the PM E-DRIVE. This is the first time the Government of India launched support for electric trucks to help the country's transition to clean and sustainable freight mobility.
4. A delegation led by H.E. Eng. Khalil bin Ibrahim bin Salamah, Vice Minister of Industry and Mineral Resources, Kingdom of Saudi Arabia, held a meeting with Secretary, Ministry of Heavy Industries along with senior officials of MHI on

   13.10.205 to explore avenues for enhancing India–Saudi collaboration in the sectors of Automobiles and Capital Goods, with a focus on investment opportunities, joint ventures and technology exchange

5. The Ministry of Heavy Industries implemented the Special Campaign 5.0 from 2nd to 31st October 2025, with a special focus on Swachhata (cleanliness) and pendency reduction. A significant success has been achieved by the Ministry in this campaign: 1,373 sites cleaned, 44.40 lakh sq. ft. of space freed, Rs. 9.87 crore revenue generated from scrap disposal, 41,539 physical files reviewed (34,426 weeded out) and 10.61 lakh e-files reviewed (9.51 lakh closed).

6. The Hon'ble MoS Shri Bhupathiraju Srinivasa Varma released the Second Edition of the Ministry of Heavy Industries' Hindi magazine "Udyog Bharti".

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