Ministry of Heavy Industries

Ministry of Heavy Industries held High-Level Meeting on Financing Mechanisms for Electric Buses and Electric Trucks

Posted On: 29 APR 2026 7:25PM by PIB Delhi

The Ministry of Heavy Industries (MHI), Government of India, held a high-level meeting under the chairmanship of Shri Kamran Rizvi, Secretary, MHI, on 29th April 2026 in New Delhi, to deliberate on financing mechanisms required to accelerate the adoption of electric buses (e-Buses) and electric trucks (e-Trucks) in the private sector. Objectives of the meeting were to understand the financing challenges for e-bus and e-trucks adoption, current status of financing e-buses and e-trucks, potential solutions to address the financing challenges and Government support required.

During the meeting, critical interventions for EV financing were discussed to address financing challenges in the adoption of e-Buses and e-Trucks by private sector stakeholders. Key support mechanisms under consideration included Partial Credit Guarantee schemes to de-risk lending by financial institutions, as well as Interest Subvention mechanisms aimed at reducing the cost of borrowing for private sector buyers.

Public transport, particularly buses, forms the backbone of mobility across India, while trucks play a critical role in freight movement by carrying a substantial share of domestic goods. At the same time, the commercial vehicle segment contributes significantly to road transport emissions, fuel consumption, and particulate matter pollution. In this context, the electrification of buses and trucks is essential for achieving India’s decarbonisation targets and advancing the nation’s Net Zero by 2070 goal.

The meeting saw wide participation from key stakeholders across the financial and industrial ecosystem, including the Department of Financial Services, Government of India, and the World Bank (India). Major public and private sector banks participated, along with NBFCs and Apex institutions including SIDBI,NIIF,bus operators; truck operators; OEMs; and other key stakeholders, along with industry bodies such as the Society of Indian Automobile Manufacturers (SIAM), All India Motor Transport Congress (AIMTC), and Bus Operators Confederation of India (BOCI).

This initiative reflects the Ministry of Heavy Industries' proactive approach towards enabling the transition to electric mobility in the commercial vehicle segment. By bringing together government departments, multilateral institutions, financial entities and industry stakeholders on a common platform, MHI aims to develop actionable financing solutions that address key barriers to EV adoption, thereby supporting India's broader goals of energy security, emission reduction and indigenous advanced manufacturing under the vision of Aatmanirbhar Bharat and ViksitBharat@2047.

*****

TPJ