

Can PM E-DRIVE really drive EVs?

Policy pointers are just right. Must do effective implementation



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THE TRANSPORTATION sector has a big role to play in helping India meet net-zero emissions by 2070. Can the PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme — which prioritises gradual reduction of subsidies — make India a leader in sustainable transportation?

The PM E-DRIVE focuses on electric two-wheelers (e2Ws) and three-wheelers (e3Ws), which represent 70-80% of India's vehicle fleet. With ₹3,679 crore allocated for demand incentives, it aims to deploy 2.5 million e2Ws and over 300,000 e3Ws. This will significantly curtail emissions of NOx, PM, and CO₂, impacting urban and rural air quality, and public health. The aim is to have 80% EV sales penetration in these segments by 2030.

But PM E-DRIVE could have incorporated direct incentives for electric four-wheelers. Fleet taxis are almost always on the road, and accelerating their shift to a proven zero-emission technology should have been encouraged. While the scheme lacks subsidies for electric cars, there are initiatives like the PLI scheme for auto components and advanced chemistry cell batteries that can lower manufacturing costs through economies of scale. Also, the low GST rate of 5% on electric cars, in contrast to higher rates on hybrid, CNG, and ICE vehicles, reinforces affordability. While direct financial support for four-wheelers is absent, there is allocation of funds for 22,100 fast-chargers.

The PM E-DRIVE underscores the importance of mass mobility, with ₹4,391 crore for the procure-

ment of 14,028 electric buses for state transport agencies. This can decarbonise public transportation. It also includes emerging electric transport modes, including electric trucks and ambulances, and to address emissions in freight and emergency services, the scheme earmarks ₹500 crore each to incentivise the adoption of these vehicles.

Integrating renewable energy into the EV ecosystem is needed, and pairing EV charging infra with initiatives like rooftop solar can ensure the electricity fuelling EVs is clean. Schemes like PM-KUSUM, Solar Rooftop Scheme, and Solar Parks Scheme will play a key role in

The PM E-DRIVE prioritises gradual reduction of subsidies, and moving towards a self-sustaining EV ecosystem

promoting adoption of solar energy.

The success of previous schemes like FAME and EMPS demonstrated the potential for rapid electrification. The PM E-DRIVE sets India further on the path

towards a net-zero transport future. The absence of direct support for electric four-wheelers presents an opportunity for further acceleration in sustainable urban transport. Learning from countries like China and Norway, which successfully implemented aggressive EV policies and infrastructure investments, India can enhance its strategy. By integrating renewable energy into its EV ecosystem, expanding support for electric four-wheelers, and leveraging innovations in battery tech, India can take steps to cultivate a robust, sustainable mobility.

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