e-Truck Incentive Scheme

Prelims: Current Events of National and International Importance

Why in the news?

Recently Ministry of Heavy Industries rolled out the first-ever e-Truck incentive scheme under the green mobility vision.

- **Launched by** - Ministry of Heavy Industries (MHI).
- **Vision** - Sustainable freight mobility, a cleaner future, and the realization of Viksit Bharat by 2047, in alignment with our net-zero emissions goal by 2070
- **Objective** - To accelerate the country's transition to clean, efficient, and sustainable freight mobility.
- **Under** - PM E-DRIVE initiative.
- **Features** - Under the scheme, demand incentives will be extended to N2 and N3 category electric trucks as defined under the Central Motor Vehicle Rules (CMVR).
    - **N2 category** - trucks with a Gross Vehicle Weight (GVW) above 3.5 tonnes and up to 12 tonnes.
    - **The N3 category** - trucks with GVW exceeding 12 tonnes and up to 55 tonnes.
    - In the case of articulated vehicles, incentives will apply only to the puller tractor of the N3 category.
- **Manufacturer-backed warranties** – to ensure reliability and performance, the scheme mandates
    - battery must be having warranty for five years or 5 lakh kilometres, whichever is earlier.
    - The vehicle and motor must have a warranty of five years or 2.5 lakh kilometers, whichever is earlier.
- **Incentives** - Incentive amount will depend on the GVW of the electric truck, maximum incentive set at ₹9.6 lakh per vehicle.
    - Incentives offered as reduction in the purchase price and reimbursed to OEMs via the PM E-DRIVE portal on a first-come, first-served basis.
    - An original equipment manufacturer (OEM) is a company whose goods are used as components in the products of another company
- **Benefits** – Other key sectors include the cement industry, ports, steel, and the logistics sector get benefitted.
- **Participation** – Sign of Public Sector Enterprise (PSE) leadership, the Steel Authority of India Limited (SAIL) has committed to procure 150 e-trucks over the next two years for deployment across multiple locations.
- **Significance** - India's first dedicated support for electric trucks, though trucks contribute 3% vehicle population, contributing 42% of greenhouse gas emissions.

Reference

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