India poised to become global leader in E-Bus production; up to 1 million procurements envisioned: Amitabh Kant at ICTS

The government's PM E-DRIVE initiative plans to electrify 40 national highways, potentially enabling reliable 250–350+ km intercity e-bus routes. This could transform long-distance travel for 10,000+ towns and cities, reveals a latest study by the International Council for Clean Transportation (ICCT) launched by Amitabh Kant in New Delhi today.

New Delhi, August 26, 2025 — At Day 2 of India Clean Transportation Summit 2025, **Amitabh Kant**, India's former G20 Sherpa, delivered a compelling call for India, estimating **$200 billion opportunity** represented by clean transportation for India.

(From left) Bhaumik Gowande, Associate Researcher, ICCT, Drew Kodjak, President and CEO, ICCT, Amitabh Kant, India's former G20 Sherpa, Amit Bhatt, India Managing Director, ICCT and Revathy Pradeep, Researcher, ICCT.

Launched by Amitabh Kant at the India Clean Transportation Summit 2025, Drew Kodjak, President and CEO, ICCT, Amit Bhatt, India Managing Director, ICCT and Bhaumik Gowande, Associate Researcher and author of ICCT's latest study "Electrifying India's buses: Insights from public deployment and case study of private intercity operators" examine India's intercity bus segment, where private players are dominant. It analyzes market structure, government and private electrification initiatives, early intercity e-bus business models, total cost of ownership, and key policy considerations. This research has been conducted and published under the Zero Electric Bus Rapid-Accelerator (ZEBRA) program, an initiative between ICCT and C40.

Key Findings from the Study

- **High upfront costs** remain the biggest barrier: ₹2.5 crore per e-bus compared to a viable target of ₹1.2 crore.
- **Total Cost of Ownership (TCO):** Right-sized batteries and optimally placed chargers can lower costs by up to 17% and shorten payback periods.
- **Infrastructure gap:** Private operators face limited access to depots and lack of shared charging facilities, both of which require high capital investment.
- **Fragmentation challenge:** With no unified platform to streamline financing, procurement, and operations, private intercity operators struggle to scale electrification.
- **Financing innovations:** Battery leasing and Battery-as-a-Service (BaaS) models can reduce upfront capital lock-in and make lifecycle costs more predictable.

"The transition to electric vehicles, battery manufacturing, and component production could create millions of jobs and attract significant global investment in India." **Amitabh Kant** highlighted the opportunity to electrify the existing heavy-duty fleet and the urgency of retrofitting ICE trucks and buses, "Scaling up e-bus tenders will lead to up to 1 million procurement and this can make India a global e-bus producer. The MHI and MoRTH both have to take a leadership position and drive this. We need to develop a robust charging infrastructure to prevent range anxiety along major highway corridors by building powerful infrastructure, encouraging battery swapping for fixed cost logistics, building financing models, and de-risking models."

Amit Bhatt, India Managing Director, ICCT said "While buses make up just 1% of India's vehicle fleet, they generate 15% of road transport emissions. India has already proven some effective strategies for electrifying buses, like demand aggregation and regulatory flexibility for e-buses. Electrifying intercity buses will help in reducing pollution on major highways in India and will provide a wider coverage of bus services to a larger population in India."

Bhaumik Gowande, associate researcher and author from ICCT shared " Electrifying India's intercity buses brings not only environmental gains but also strong economic and operational advantages. Our research shows that optimizing battery sizes and leveraging opportunity charging can reduce operating costs by 12–17%. With supportive financing models, shared public charging, and business innovations like Battery-as-a-Service, the total cost of ownership can fall even further. These steps are key to unlocking the full promise of electric intercity buses and shaping a sustainable future for India's transport sector."

Drew Kodjak, ICCT's President and CEO, shared how New Delhi has made important progress toward bus electrification. Delhi's successful electrification model could be replicated for intercity buses as well. "94% of India's intercity buses are not electric yet. India has huge potential to electrify city transit buses. This would not only help address the problem of state level pollution but also attract global investment to the country."

About Summit | India Clean Transportation Summit

Organised by the International Council on Clean Transportation, ICTS 2025 convenes leading policymakers, automakers, innovators, and civil society groups to accelerate India's clean transportation pathways. With 650+ participants, 20 thematic sessions, and 72+ institutional

partners, this year's summit focuses on fuel efficiency, clean freight, vehicle electrification, and green manufacturing ecosystems.

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For More information on ICTS 2025, visit: https://theicct.org/icts25/

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