

EV subsidy coverage makes giant strides

EMPS meets 60% of revised target till Aug 15 from just 10% a month ago

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In a swift turnaround, the government's Electric Mobility Promotion Scheme (EMPS) has achieved 60 per cent of its revised target, supporting 334,260 vehicles out of the goal of 560,000 units as of August 15. This significant progress follows a slow start, with less than 10 per cent of the target reached by July 15 since the scheme's launch on April 1. Government sources credit the turnaround to the onboarding of new players and the addition of more models by existing companies, which drove increased disbursement.

"Today, 31 OEMs (original equipment manufacturers) are enrolled under the scheme, offering 168 models. The onboarding process was initially slow but thorough, as we implemented stringent qualification criteria. However, we are now on track to surpass even the revised target," a senior government official said.

The turnaround over the past month is noteworthy, as the 60 per cent achievement is based on the revised target. The Ministry of Heavy Industries (MHI) extended the EMPS, which was initially set to expire on July 31, by two months to the end of September. The scheme's target was increased from 372,215 units to 560,000 units, with the total financial outlay revised from ₹500 crore to ₹778 crore.

"If we compare it to our initial target, we've achieved nearly 90 per cent of our vehicle support goal," another official said, requesting anonymity.

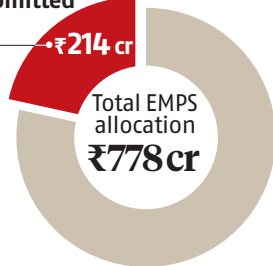
Claims amounting to 27 per cent, or ₹214 crore, have been submitted from the ₹778 crore allocated under the scheme. When compared to the previous outlay, this represents over 42 per cent of the funds utilised.



ELECTRIC JOURNEY

- FAME scheme began in 2015 with an outlay of **₹900 crore**
- FAME II came in 2019 with an outlay of ₹10,000 crore, which was revised to **₹11,500 crore**
- EMPS' timeline was Apr 1–Jul 31, but is now extended till Sep 30; financial outlay was revised from ₹500 crore to **₹778 crore**

Claims submitted



Major OEMs participating in the scheme include Ather Energy, Ola Electric, TVS, Hero MotoCorp, Kinetic, Revolt, Mahindra, and Piaggio.

Under the EMPS, 13 electric two-wheeler (e2W) and 10 electric three-wheeler (e3W) companies were onboarded in April. In May, the scheme added only one e2W and four e3W companies. June saw the addition of five e2W companies, and one e3W company joined in July. Three OEMs — Bajaj, Kinetic, and Godawari — are involved in both e2W and e3W categories.

In July, electric vehicles sales in the country were nearly 28 per cent higher than in the previous month and the high-

est for a month in the current financial year, according to Vahan data from the Ministry of Road Transport and Highways (MoRTH). If you look at the calendar year 2024, EV sales have crossed a million in the first seven months.

"The rise in EV sales is also due to the improved claim distribution by the government. The scheme has helped the sector achieve a new sales high," one of the officials quoted above said.

The July sales, say sector experts, were driven by widespread discounts and customers hurrying their purchases. Both can be attributed to the imminent expiry, due on July 31, of EMPS 2024.