

With electric mobility scheme to end soon, EV makers a worried lot

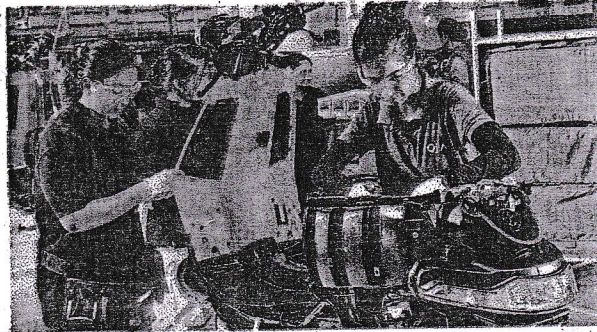
WHAT NEXT. Tell the government to extend scheme or bring in FAME-III

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With the Electric Mobility Promotion Scheme (EMPS) expiring on September 30, electric two/three-wheeler manufacturers are concerned with no progress or announcement of the Faster Adoption and Manufacturing of Electric Vehicles (FAME-III) scheme.

They said the government should either continue EMPS from October or bring in FAME-III scheme so that subsidies can continue post September 30.

"October is the biggest month this year because both the festivals (Navratri and Diwali) fall on the same month and the existing (EMPS) scheme ends on September 30," a Bengaluru-



SEEKING INCENTIVES. EV manufacturers want FAME-III so that subsidies can continue post September 30

based EV maker told *businessline*.

The Centre, through a Gazette notification on March 13, notified the EMPS 2024 with an outlay of ₹500 crore so that the FAME-II scheme could continue in another form till July.

It offers subsidies to electric two-wheelers (e2W) and

three-wheelers (e3W) offering a subsidy of up to ₹10,000 per e2W and ₹25,000 per e3W.

The government first announced the scheme to be implemented between April 1 and July 31, and on July 26, it announced for an extension till September 30 with a total outlay of ₹778 crore.

IN DRAFT STAGES

According to sources in the Ministry of Heavy Industries (MHI), while the draft for the FAME-III scheme is in the final stages, there was no update from the Finance Ministry on the budget allocation. In July, the Minister for Heavy Industries HD Kumaraswamy had said that the preparatory work was going on without specifying any timeline.

Sources added that the MHI may make some changes in the scheme. "If it is planning to change the scheme requirements, it is very unclear how vehicles can qualify in October for incentives. It is very crucial for us as a sudden halt in the subsidies would impact the sales, especially when the festive season is on," said another manufacturer.