

# 'Festival season sales of EVs not electrifying'

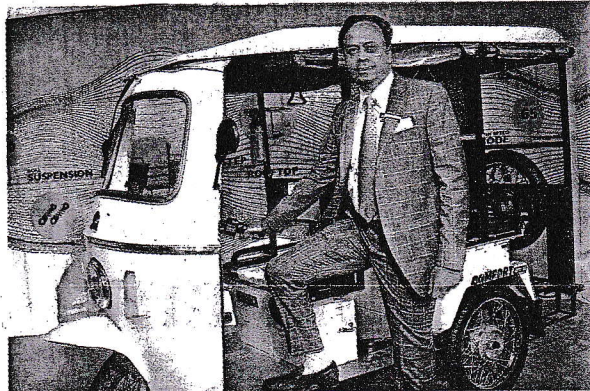
**POOR SHOW.** Delay in FAME subsidy, PLI scheme key reasons: Lohia Auto CEO

**S Ronendra Singh**  
New Delhi

Electric vehicle (EV) sales have not done well as expected during the festival season this year, but it is expected to improve in the coming days in the two-wheeler and three-wheeler segments, said a top official with Lohia Auto.

Speaking to *businessline*, Ayush Lohia, Chief Executive Officer of Lohia Auto, said: "The numbers have not done so great as we are expecting, but yes, things need to improve going down the line. We have been seeing some traction in electric two-wheeler segment and three-wheeler segment, but the numbers have been almost flat when compared to last year."

It has not improved according to the industry's ex-



**NOT ON TRACK.** There is traction seen in the electric 2-W and 3-W segment, but the numbers are almost flat compared to last year, said Ayush Lohia

pectations, he said. He said there have been a few hindrances, and the major challenge the industry faced was the Faster Adoption and Manufacturing of Electric Vehicles (FAME) subsidy, where the amount has reduced drastically by 30-40

per cent, especially in the two-wheeler segment.

"The delay in FAME subsidy and production linked incentive (PLI) scheme have been the main reasons. The FAME subsidy has been reduced from ₹15,000 per kWh battery to ₹10,000 per

kWh...Costs (input) also a role to play in this," he told *businessline*.

## CHALLENGES

Talking about a few challenges, Lohia said the industry is still not clear how the FAME-III scheme is going to shape up post March 2024.

"There are a few reports, too, saying that the FAME scheme will be discontinued, and if that that is the case, then the numbers will be impacted even higher. We would see a drastic fall in the numbers because the vehicle will not be competitive of an internal combustion engine (ICE) vehicle," he added.

In October last year, the industry sold around 77,000 units of electric two-wheelers, and this year it was around 74,000 units in the same month.