

79% revised FAME II target achieved

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The Ministry of Heavy Industries has achieved 79 per cent of its revised target for the number of electric vehicles (EVs) — in two-, three-, and four-wheelers — that it had to support under Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India II (FAME II) as of February 18 (including vehicles under processing for subsidy).

The revised number of vehicles across the three segments was pegged at 1.73 million in the five years of the scheme (previously 1.5 million) which ends on March 31.

Based on segments, the target achieved in electric two-wheelers is 78 per cent, for electric three-wheelers 88 per cent, and for electric four-wheelers much lower at 56 per cent. The details were divulged by the ministry in a FAME II conclave held on February 20 with EV original equipment manufacturers (OEMs) from these three segments.

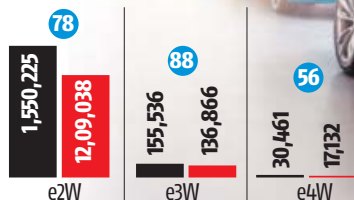
However, the government has to process 514,064 EVs, accounting for 37 per cent of

CATCHING UP

■ Target* of vehicles to be supported under FAME II **Total****
1,736,222

■ Achieved **1,363,036**

● % share **79**



*Revised target **includes claims under process

Source: Ministry of Heavy Industries

the total number of vehicles under the scheme whose application for subsidy under FAME II is still pending until February 18. Since 2019-20, as many as 1.36 million EVs have applied for subsidy under the scheme.

The revised outlay for subsidy for the three segments for five years was at ₹7,048 crore — which includes ₹5,311 crore for electric two-wheelers, ₹987 crore for electric three-wheelers, and ₹750 crore for electric four-wheelers.

Of this, the government has spent and distributed ₹4,047 crore until February 18, or 57

per cent of the total money earmarked. In 2023-24 (FY24), the disbursements until February 18 have been ₹2,167 crore.

The scheme's total funding was enhanced from ₹10,000 crore to ₹11,500 crore, which includes electric buses, charging stations, and grants for creating capital assets.

The ministry said that the subsidies for demand incentive would be eligible for two-, three-, and four-wheelers until March 31, 2024, or until the funds are available. It also told stakeholders that no money has been earmarked for a new

FAME scheme.

The presentation also pointed out that FAME II has achieved its objectives — EV penetration in electric two-wheelers has gone up from 1.8 per cent in 2021-22 to 4.5 per cent in 2022-23 (FY23) but is projected to hit 4.9 per cent in FY24.

In the case of electric four-wheelers, it has increased from 0.9 per cent in FY23 to a projected 1.7 per cent in FY24.

The ministry also highlighted some of the reasons for the delay in processing subsidies or even rejecting them — these include buyer name mismatch, duplicate mobile number, issues in the certificate, registration mismatch, duplicate battery number, and incorrect data filled by OEMs, amongst others.

The presentation also puts in perspective the growth of electric two-wheelers. It peaked in May 2023 when it hit 105,411 vehicles — just before the government decided to cut subsidies. It fell dramatically in June and is now at 81,741 in January 2024 after many companies announced heavy discounting on their models.