

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 555
ANSWERED ON 26.07.2024

SUBSIDY TO ELECTRIC VEHICLE MANUFACTURERS UNDER FAME SCHEME

555. SHRI NARHARI AMIN:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) whether subsidy is given to electric vehicle manufacturers under the FAME scheme launched by Government to promote electric vehicles;
- (b) if so, total subsidy provided during the last five years;
- (c) whether benefit of this subsidy is passed on to the persons purchasing vehicles from companies; and
- (d) if so, the details of the categories receiving benefit of subsidy?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a): Under FAME-India Scheme phase-II, no incentive is given to Electric vehicle manufacturers. The incentive/concession is provided to consumers (buyers/end users) in the form of an upfront reduction in purchase price of hybrid and electric vehicles to enable wider adoption, which is reimbursed to the OEM (EV manufacturers) by Government of India.

(b): Does not arise in respect of part (a) of the question.

(c) & (d): Yes, under FAME-India Scheme phase-II, the demand incentive/subsidy is passed on to the persons purchasing vehicles from the OEM at the time of purchase of the vehicle in the form of an upfront reduction in purchase price of hybrid and electric vehicles. Category-wise subsidy reimbursed to OEMs towards the incentive claimed by them during last five years (01.04.2019 to 31.03.2024) is as under:

| Sl. No. | Segment | Incentive Amount Paid (Rs. in crore) |
|---------|------------------------|---|
| 1 | e-2w | 4,375.59 |
| 2 | e-3w | 845.61 |
| 3 | e-4w | 399.12 |
| 4 | e-buses * | 1,322.00 |
| | Total for above | 6,942.32 |

* Subsidy amount released to State Transport Units
