

GOVERNMENT OF INDIA  
MINISTRY OF HEAVY INDUSTRIES  
RAJYA SABHA  
UNSTARRED QUESTION NO. 1874  
ANSWERED ON 04.08.2023

**STATUS OF SUBSIDIES UNDER FAME INDIA SCHEME II**

**1874. DR. PRASHANTA NANDA:**

Will the **Minister of Heavy Industries** be pleased to state:

- (a) the total amount of subsidies granted to electric vehicle manufacturers under the Faster Adoption and Manufacturing of Electric Vehicles in India (FAME India) Scheme II in 2022;
- (b) whether subsidies have been cancelled for any of the manufacturers; and
- (c) if so, the details of the amount and the time period thereof?

**ANSWER**  
**THE MINISTER OF STATE FOR HEAVY INDUSTRIES**  
**(SHRI KRISHAN PAL GURJAR)**

**(a):** Sir, under FAME-India Scheme phase-II, no incentive is given to EV manufacturers. The incentive/ concession is provided to consumers (buyers/end users) in the form of an upfront reduced purchase price of hybrid and electric vehicles to enable wider adoption, which will be reimbursed to the OEM (EV manufacturers) by Government of India. The details of amount of subsidies/ demand incentive reimbursed/ approved to electric vehicle manufacturers under FAME India Scheme Phase-II in 2022 is as under:

(Amount Rs. in crore)

Sl. No.	Segment	Total Claim Incentive Approved in 2022 (Jan-Dec, 2022)
1.	e-2w	1280.07
2.	e-3w	168.93
3.	e-4w	55.17
4.	e-buses *	364.39
	<b>Total</b>	<b>1868.56</b>

\* Subsidy amount released to State Transport Units (STUs)

**(b) & (c):** Sir, the Ministry of Heavy Industries (MHI) had received complaints against 17 OEMs under the FAME India Scheme Phase-II the past 18 months mainly concerning two aspects viz. PMP compliance & Breach of Ex-factory price. Further, incentive payments were stopped in case of those complaints wherever detailed investigations were required.

The following steps were undertaken by MHI for investigation of complaints against the alleged Original Equipment Manufacturers (OEMs):

- i. Disbursement of the demand incentives were put on hold
- ii. Matter referred to Testing agencies of MHI for detailed investigation

After the examination of reports from testing agencies for the alleged OEMs, it was found that six OEMs were fully PMP Compliant while other seven OEMs have found to be violating PMP norms. Show cause notices have been issued to seven OEMs.

Further, four OEMs have agreed to refund the excess amount of Rs. 322.11 Cr. for the Breach of Ex-factory price to the customers/ purchasers of electric vehicles (EVs).

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