

# Centre will bring FAME to more states; J&K to see major EV focus

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- **Under FAME, we have given special emphasis to two-wheelers where support started under FAME-1 and is continuing in FAME-2, says Mahendra Nath Pandey, Minister for Heavy Industries**

NEW DELHI: The government plans to expand the Faster Adoption and Manufacturing of Electric Vehicle (FAME) scheme to more states in the second phase to further boost the adoption of electric vehicles in India, union minister for heavy industries Mahendra Nath Pandey said in an interview. There will be a special focus on Jammu and Kashmir with the roll-out of electric buses in the state.

He also said India can become a net exporter of lithium-ion batteries by FY25, riding on the "overwhelming response" to the production-linked incentive scheme. Edited excerpts:

## **What are your plans for expanding FAME Phase II?**

So far, we have taken bigger cities into account but now we will go to smaller cities and accordingly have expanded the scheme to cover the states of Himachal Pradesh and Assam. We have also been targeting larger cities that have high level of pollution like Bengaluru, Ahmedabad, Mumbai and Delhi (for supplying electric buses under FAME). Now, seeing the special nature and requirement of Jammu and Kashmir, we are expanding FAME coverage there.

In FAME, one important component is battery where under the PLI scheme we are looking at putting up manufacturing base of lithium-ion batteries. We are dependent on imports here. Under PLI, we were expecting to get interest for about 30-35 GW but the response has been overwhelming. We have found claimants for 108 GW who perfectly fit the parameters fixed for such investments.

We were told by the approved companies that apart from the government's 50 GW target they have internal targets of putting up additional capacity of 75 GW. So, if the country has 125 GW capacity, India will not have to import this critical component and we will become fully self-reliant and we be also net exporters. By 2024-25, this scenario may develop. India is likely to have a total capacity of 163 GW by 2030. We are right now evaluating options in case of niche batteries

## **What is the progress so far and will FAME be extended beyond 2025?**

The progress of FAME is good. We have moved very swiftly on targets set under the scheme and extension of subsidy scheme would depend on such requirements in the terminal year.

Under FAME, we have given special emphasis to two-wheelers where support started under FAME-1 and is continuing in FAME-2. In two-wheelers as of 7 November, 610,580 vehicles have been provided green subsidy. We give ₹15,000 per kw as subsidy.

Earlier the subsidy was ₹10,000 per kw, which was later raised to ₹15,000 per kw. This immediately drew traction of youngsters towards electric vehicles as sales of two wheelers jumped from just about 700-800 a month to 3,000-5,000 per month.

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## **Making Corporate India Comply**

We also give subsidy to three wheelers, where the numbers have reached 66,126. Subsidy is also provided to commercial four wheelers and 4,998 of them have so far been subsidized.

### **Any plans to bring personal four wheelers under FAME?**

We have not decided on subsidy for this segment as commercial vehicles are the ones that ply maximum on the roads as against planned travel by personal vehicle owners. Our target is tackling pollution and it comes largely from commercial vehicles. Personal vehicle owners can afford to take these vehicles without subsidy support.

### **Does the budget for FAME need to be raised?**

The budget for FAME-2 has already been raised 10 times—from ₹1,000 crore to ₹10,000 crore now. We still have to use this money and I feel that funds are sufficient to meet our current needs up to 2025. If we need more money at a point of time, we will give due consideration to it.

### **There have been several EV fire incidents, following which government has taken few steps including new testing norms. What more can we expect in terms of safety?**

We recently came up with the EV policy which deals with precaution and safety and the ministry of road transport and highways has also acted to some extent. Recently we took a policy decision to enhance the testing criteria for EVs, applicable from April 2023.

### **What is the progress in installation of charging infrastructure?**

Work is underway on charging infrastructure. We are supporting a lot in that segment and private players are also working in the EV charging space. There is a new initiative wherein 22,000 petrol pumps have been identified and there is team of three departments—heavy industries ministry, petroleum ministry and the road transport ministry.

Those petrol pumps which have space for charging infrastructure and food court have been identified, and work is underway on it. The land and site will be of the petrol pumps; we will provide the subsidy for setting up the charging infrastructure.

We have the budgetary support for the current requirements for charging infrastructure and for further requirement we would decide whenever the need arises. Currently, the total budgetary support is ₹1,000 crore.

### **There are several PSUs under the heavy industries ministry which are making losses. What is the way forward for them?**

The companies which have been identified under strategic sectors are being supported and they will run well. Among the others, it is not that are all being closed. Some have been identified for disinvestment and the process is underway, like some projects of Cement Corporation of India, several paper mills.

### **Recently land belonging to HMT was transferred to the Uttarakhand government. Will similar steps be taken for assets of other companies?**

Under the disinvestment process, the matters which are under discussion, we are clearing them swiftly. The transfer of land to Uttarakhand government is an example of swift action under the government's disinvestment process. Assets of Scooters India in Lucknow are also being cleared.