

## ₹10,000 crore FAME II scheme gets Cabinet's nod



Giving a push to the electric vehicle sector in India, Union Cabinet approved the much-awaited Faster Adoption and Manufacturing of Electric Vehicles II, better known as FAME II scheme with a budget allocation of ₹10,000 crore for the next three years.

The greener mobility options are likely to get more vividly available in India as the government has finally green-signalled the FAME II scheme for electric vehicles. Automobile makers had been awaiting the scheme since long as a signal of affirmation before going ahead and investing huge amounts of money in electric vehicles. On Friday, the Union Cabinet approved the FAME II scheme with a total allocation of ₹10,000 crore, which will be used to mobilize electric vehicles in three years starting from April 1, 2019.

The main goal of this scheme is to encourage faster adoption of electric and hybrid vehicles by way of offering upfront incentives on the purchase of electric vehicles and also by way of establishing necessary charging infrastructure for EV. It is also a holistic approach that focuses on developing a stronger "Make in India" regime, as the Indian market becomes more attractive to foreign companies and investors for setting up EV manufacturing plants within the country. And the ₹10,000 crore budget set aside will help develop a stable policy that promotes green mobility in the country.

Moreover, FAME II will focus on electrification of public transport vehicles, share transportation vehicles like three-wheelers, light commercial vehicles, last-mile connectivity vehicles and private two-wheelers through incentives - rather than electrifying privately owned cars. As per the plan, 10 lakh electric two-wheelers, 5 lakh electric three-wheelers, 55,000 electric four-wheelers and 7,000 buses will be given incentives in three years. The condition here will be all vehicles that run through lithium-ion battery or advanced technology like fuel cell, for a greener economy.