

'FAME needed for 3-5 years'

Kinetic Green, which launched a high-speed e-scooter Zulu in Mumbai on Monday, is looking to nationally launch the electric-Luna moped between January and March next year. **SULAJJA FIRODIA MOTWANI**, founder and chief executive officer of Kinetic Green, also talks about the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) scheme in an interview with **Sohini Das & Anjali Singh** in Mumbai. Edited excerpts:



Sulajja Firodia, founder and CEO, Kinetic Green, at the launch of e-scooter Zulu, in Mumbai

PHOTO: KAMLESH PEDNEKAR

How important is it to bring down the ticket-size for e-two-wheelers with the subsidy reducing?

When we buy an ICE (internal combustion engine) vehicle, we pay for fuel every month. We buy an electric vehicle with three years of fuel in it. So, obviously, it is going to be expensive. People are comparing apples with oranges. If we keep the battery aside, then it becomes an apple-to-apple comparison. When one pays ₹700-900 on a battery subscription plan (like in the case of Kinetic Green's e-scooter Zulu), then the whole concept is I am spending ₹100 daily on petrol versus paying ₹30 everyday on battery. We are trying to educate people.

When the subsidy goes, this will become even more pronounced as a need because today we are getting a 20 per cent subsidy, which is subsidising the battery partially.

Do you feel the FAME subsidy should continue?

As the chair of the electric mobility committee of the Federation of Indian Chambers and Industry, we have represented to the government that FAME 3 is required because today if you remove any subsidy, all electric vehicle prices will go up by about 25 per cent. This is

because of the battery cost. That will increase the upfront price gap between ICE vehicles and EVs. India has begun well in EVs, but it is still at 5-6 per cent penetration. The momentum of penetration will derail if subsidies go. Original equipment manufacturers like us will stop investing in EVs, and component makers will stop investing in EV components. India will miss the bus. Till battery prices come down to about \$100 per kwh, which is currently at around \$150 per kwh, the subsidies should continue. This is expected to continue in the next three years, by when we will also have an ecosystem. By that time, the premium of an EV will be 20-25 per cent more, and people will more likely pay. We need a critical mass before subsidies can go -- maybe 20-25 per cent penetration levels. For three to five years, subsidy is needed.

The e-Luna is available on Flipkart for ₹75,000. When will we see a national launch of this electric moped?

The electric Luna is not yet launched. We have started a pilot around September only in some locations of Maharashtra. We want to sell a couple of thousand vehicles in this pilot, get people feedback, and give some to fleet operators.