

TATA MOTORS WINS GOVERNMENT CONTRACT TO SUPPLY 10,000 ELECTRIC SEDANS

In a major push toward Eco-friendly vehicles, Tata Motors Ltd. won a bid from state-owned Energy Efficiency Services Ltd. to supply 10,000 electric sedans under the government's plan to end reliance on fossil fuels for passenger transport by 2030.

The automaker will supply the first 500 cars by November 2017 and the remaining 9,500 in the second phase, said a statement issued by the Ministry of Power on Friday.

Tata Motors will be providing the electric version of the Tigor, which is produced at its plant in Sanand, Gujarat, a company executive told Bloomberg Quint requesting anonymity.

Tata Motors as of now does not have any electric car in its portfolio. The company has been collaboratively working to develop electric power train technology for its selected products, a company statement said quoting Guenter Butschek, its managing director and chief executive officer. EESL tender provided the company an opportunity to accelerate efforts to offer full range of electric vehicles to the Indian consumer, he said.

India has a target to turn all cars electric by 2030, by when it plans to cut carbon emissions by 37 percent and reduce oil imports. EESL had invited global bids in August for 10,000 electric sedans that will run up to 150 km on a single charge for use by government departments. It also floated a tender for charging stations.

Tata Motors beat Mahindra & Mahindra Ltd. and Nissan to emerge a successful bidder. It quoted the lowest price of Rs 10.16 lakh (excluding GST). EESL will get each car for Rs 11.2 lakh including taxes and with a five-year warranty. That's 25 percent below the current retail price of a similar electric car with three-year warranty, the ministry's statement said.

The vehicles will be used by government departments and agencies for three to four years. The total number of such vehicles can go up to 5 lakh, according to the statement.