

Purse-friendly Reva car launched in Delhi

India's first electric car Reva was launched in Delhi Wednesday, providing commuters with an environment friendly - and cheaper - mode of transport.

Buyers of the new Revai model will get incentives including a 15 percent subsidy on the base price of the vehicle, a 12.5 percent exemption on value added tax (VAT), and refund of road tax and registration charges from the Delhi government.

The exemptions and subsidy will bring the on-road offer price for Revai's base model to Rs.299,000.

'Our government is the first to extend such a subsidy to vehicle owners,' Delhi's environment, forests and wildlife secretary J.K. Dadoo said.

'We have collected nearly Rs.100 million from the cess imposed on diesel at the rate of 25 paise a litre in the past three months. That money will be used to give incentives to those using environment-friendly products such as Revai,' Dadoo said.

One of the four customers in Delhi to be handed over the keys Wednesday, Sanjay Gupta, a pilot by profession, said he already owns a car but bought Reva because it is environment friendly. "Survival comes before everything else,' he said.

Said another buyer, Rajan Singhal, Jindal Steel and Power Ltd executive vice president of corporate human resource: 'Of course it is my way of fulfilling social responsibility and it is good for the country.'

Reva had first been launched in [Bangalore](#) seven years ago, and Delhi becomes the second Indian city to get the vehicle. The car was launched in London in 2004, its largest market where over 1,000 units have been sold so far.

It is also marketed in Norway, Ireland, Spain, Belgium, Japan, Malta, Sri Lanka, Cyprus and Greece.

Additionally, the existing model is also being test-marketed in countries in South America, South East Asia and Europe.

However, the success of the electric car remains a concern in a city like Delhi, plagued as it is by frequent power cuts and poor road infrastructure.

But Delhi chief minister Sheila Dikshit downplayed such fears, saying power will not be an issue. "In the next two-three years, Delhi will have surplus power," she said at the launch.

Reva Electric Car Co's chief financial officer R. Rajesh Ramaiah concurred: 'Power will not be a problem as it would take only nine units of electricity to fully charge the battery.'

'Thanks to its high mileage and low maintenance, Reva users will ultimately save Rs.250,000-Rs.300,000 in the next two-three years,' Ramaiah added.

Asked about competition from Tata's small car Nano, Ramaiah said: 'Our market is not first car

buyers. We are targeting all those looking to buy their second car.'

Reva opened its first showroom in south Delhi Wednesday.

Revai comes with optional remote controlled air conditioning and heating along with climate-controlled seats. In addition, there are other options like a CD-MP3 player, leather seats, central locking system and environment friendly, colour impregnated panels that are scratch and dent proof.

However, for all those facilities the consumers will have to shell out more money.

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