

CESL launches Grand Challenge for deployment of E-Buses in nine major cities

- *Homogenization and aggregation of demand*
- *Improvement in air quality; eligible for incentives under FAME II*
- *Cost reduction in operation of public transport system in cities*

NEW DELHI, September 30, 2021: Giving a big thrust to the adoption of electric buses for public transport in the country, Convergence Energy Services Limited (CESL), a wholly-owned subsidiary of Energy Efficiency Services Limited (EESL), today announced the floating of the ‘Grand Challenge’ – a set of homogenized demand for electric buses aggregated across nine cities.

The Grand Challenge invites State Transport Undertakings (STUs) to express their demand for electric buses and access the FAME II subsidy, for which a total of 3472 buses of subsidy equivalent is available. CESL will then aggregate this demand and based on a rating system, STUs will be allocated their total number of buses. The aggregated demand will be tendered out for the participation of OEMs and/or operators for the discovery of prices on the basis of rupees per kilometer.

The cities to be covered under this “Grand Challenge” are Mumbai, Delhi, Bangalore, Hyderabad, Ahmedabad, Chennai, Kolkata, Surat, and Pune.

Through the Grand Challenge, CESL intends to enhance its support to state governments in achieving their electric mobility targets and further build an infrastructure for electric mobility in the country. This tender is seen as a big step in the series of initiatives to fulfill the commitments made by the Prime Minister, Narendra Modi for making India a Net Zero nation by 2050 and getting closer to achieving Energy Independence by 2047.

In his inaugural address, **Sh. Amitabh Kant, CEO- NITI Aayog** said, “NITI Aayog is giving full support to all measures aimed at boosting innovation, efficiency and investments in the automobile sector, especially to bring down the initial upfront cost of EVs. The transition to EVs is inevitable and CESL is working effectively in that direction. It is very clear that India will lead the drive to change and become a leader in transition mobility across the globe. We need to adopt an indigenous route for EVs, develop a robust supply chain and reduce dependence on imports from China. Manufacturers in India should understand the changing dynamics of the automobile industry and exploit the opportunity to lead the disruptive change. It is high time that mass adoption is undertaken and nothing better than the mass public transport system to ensure that. It is imperative for us to introduce new strategies for reduction of vehicular emissions and dependence on fossil fuels. The tender for 3742 e-buses is a big step towards this mission of Energy Independence as propagated by Prime Minister, Narendra Modi. In light of the COP26 at Glasgow, it is another step in our commitment to achieve the goals set for climate change agenda.”

Sharing her views about the Grand Challenge, **Mahua Acharya, MD & CEO, CESL** said the Grand Challenge is the beginnings of aggregating demand for electric buses. It is based on an



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innovative, asset-light model that incentivizes the electrification of public transit. We hope that STUs will see the benefits of this exercise and come forward with their demand for buses.

She further added, “By reducing carbon emissions, I am confident that this mandate will help India in successfully meeting the net-zero target as defined by Prime Minister, Narendra Modi. The Grand Challenge will certainly encourage the faster transition to green mobility across the country while creating a synergy between private operators and state governments. We are already running successful 2-wheeler and 3-wheeler EV initiatives in states like Kerala and Andhra Pradesh and are optimistic that this new development will further our goal to attain transformation to EVs from fossil fuels in the coming years throughout the country”.

Ms. Mahua Acharya further acknowledged USAID’s SPARC programme for their continuous support to CESL’s E-mobility initiative.

Shri. Ashish Kundra, Principal Secretary-cum-Commissioner, Transport, Government of Delhi; Shri. Rajendar Kumar Kataria, Secretary, Transport Department, Bengaluru Metropolitan Transport Corporation; Shri Laxminarayan Mishra, CMD, Pune Mahanagar Parivahan Mahamandal Limited; Shri Rajanvir Singh Kapur, Managing Director, West Bengal Transport Corporation and Dr Rajesh Pandya, Deputy Municipal Commissioner, Surat Municipal Corporation participated in the event and shared their views.

About CESL:

Convergence Energy Services Limited (CESL) is a subsidiary of state-owned Energy Efficiency Services Limited, a joint venture of public sector companies under the Ministry of Power, Government of India. CESL is focused on delivering clean, affordable, and reliable energy. Convergence focuses on energy solutions that lie at the confluence of renewable energy, electric mobility, and climate change. CESL is also working towards enabling battery-powered electric mobility and its infrastructure and design business models to increase the uptake of electric vehicles in India. By employing unique business models, Convergence is utilizing a blend of concessional and commercial capital, carbon finance and grants as appropriate to enable commercialization of these solutions at scale.

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