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## Electric vehicle makers see revenue potential in carbon credits

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BL reported that armed with their zero emission claims, makers of electric vehicles are trying for carbon credits.

Manufacturers of electric vehicles see considerable revenue potential as well as brand building prospects in attaining carbon credits, though the sector is at a nascent stage in India.

However, at least 3 electric scooter makers including Hero Electric and Chennai based Kabirdass Motor Company have appointed consultancies to assess their carbon credit potential. Bangalore based electric carmaker Reva is also in the process of ascertaining its carbon credit potential.

The Society of Indian Electric Vehicle Manufacturers is considering a proposal to collectively work for attaining carbon credits. The 29 member industry body discussed this at a recent meeting and a decision is expected soon.

Mr Sohinder Gill president SIEVM and CEO of Hero Electric said “As every one of us is benefiting from this, we discussed the prospect of jointly working on this. 3 of our members said they already initiated their carbon credit projects.”

Mr Gill said “By a conservative estimate, in next 10 years we may get INR 10 crore from carbon credit trade, which is not very attractive considering our scale of business. But it is a good statement to make that we are eligible for carbon credit.”

Hero has appointed a consultancy to assess its carbon credit potential and to facilitate clean development mechanism registration under the United Nation’s Framework Convention on Climate Change. Mr Gill said “By any standards, an electric scooter will save 0.25 tonne to 0.4 tonne of carbon per year. We have just initiated the process and it will take at least two years to get the final approval.”

Mr Murali Kabirdass MD of Kabirdass Motor said “We have entered into an agreement for CDM project with Asia Carbon Emission Management India Pvt Limited. We expect up to 10% of our revenues to come from carbon credit trading.”

Mr R Chandramouli President, sales and marketing, Reva Electric Car Company said “We are in the process of assessing our carbon credit potential. He said our primary purpose is not to trade but to understand how much carbon we save. Not only our product, but our upcoming plant with its solar charging and green building also has very less carbon footprint.

(Sourced from Business Line)

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