



## All India Road Transport Workers' Federation

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Date: 18-08-2023

To,  
Shri.Nitin Gadkari Ji,  
Honourable Minister for Road Transport & Highways,  
Government of India,  
Parivahan Bhawan,  
Parliament Street,  
New Delhi.

Respected Sir,

Sub: Operation of Electric Buses in Urban areas under PM E Bus Seva Scheme. Requested to allow STUs to Procure-Operate & Maintain- Subsidy and Viability Gap Funding be given to STUs.

We would like to draw your attention to the media report with regard to the recent Cabinet meeting decisions. It is reported that the Government has taken a decision to operate 10,000 Electric Buses in 169 Cities under PM Electric Bus Seva Scheme which costs Rs 57,613 crores. Out of which the Union Government will provide Rs.20,000 crores. This Electric Bus Scheme will be operated under PPP model.

This is to remind that the Electric Buses under FAME 1&2 are being operated in GCC model. The experience is that this GCC model has become a white elephant to the STUs and the revenues of the STUs are being drained out to the Private Operators.

The STUs were formed by the State Governments under the RTC Act 1950 and are providing the Bus services to the people in all the areas like Urban, Rural, Hill and interior villages with affordable ticket fares. At the same time they are paying all the taxes to the Exchequer as per rules. The STUs records low accident rate and low HSD oil consumption and providing employment to a large section of the unemployed youth duly following the rule of reservation.

At this juncture, it is the need of the hour to support, strengthen and expand the STUs which are in serious financial crisis. Ironically the decision of the Cabinet to operate the Electric Buses under PPP mode will further deteriorate the financial condition of the existing STUs and may lead to closure.

In the light of the above mentioned facts, it is requested to utilise your good Offices to allow the STUs to procure, operate & maintain the Electric Buses under the PM Electric Bus Scheme duly extending the Subsidy, Viability Gap Funding to the STUs.

We hope, you will respond positively and necessary guidelines may be issued.

Yours Sincerely



(R.LAKSHMAIAH)  
General Secretary