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***Centre for Public Policy Research (CPPR) is a think tank dedicated to extensive and in-depth research on current economic, social, and political issues. We study public policies with a dedicated, objective, and an unbiased approach. We strive to initiate policy changes by publishing our research and by framing policy debates and discussions on various subjects. Our research areas include Governance, Education, Health, Law, Livelihood, and Urban Reforms.***

## E-Rickshaws:- The Road ahead

### Overview

E-Rickshaws are the latest entry in the Indian road and transport system. A flexible, non-polluting and affordable system, they have been playing a significant role in solving the last mile connectivity issue. Due to the absence of rules and norms, they have been largely operating very informally. While the licensing of E-Rickshaws has been given the nod by the Ministry of Road Transport and Highways, the operation of this system is still ambiguous which has currently led to the ban order by the Delhi High Court. There exists the issue of monitoring and framing the rule book for E-Rickshaws for the safety and security of the commuters using these systems. Policy guidelines are required on whether E-Rickshaws are an Intermediate Para-Transit (IPT) system, who is responsible for the licensing and regulation and how it gets integrated and act as feeder to the public transport. Specific provisions are required to address questions on speed, vehicle specifications, insurance, lane traffic and fare charges. This requires a policy framework to address the concerns of both e-rickshaw drivers and its counterparts.

Centre for Public Policy Research (CPPR) believes that E-Rickshaw needs to be integrated into the system at the policy as well as at the infrastructure level and developed as an appropriate feeder system. This demands for a need based assessment and defining of IPT Characteristics in the current public transport system of India. This policy brief aims to develop an approach wherein which systems like e-rickshaw shall be formally integrated and devised to support the existing systems and enable a sustained transport system.

### Statement of Issue

E-Rickshaw run in an unregulated market as neither the Municipal Corporation nor the Road Transport Authorities was legally entitled to control or monitor the system. Even the Traffic Police were not able to issue challans for

violation of road laws against E-Rickshaws. There were strong arguments both in favour and against of E-Rickshaws. Incidentally, E-Rickshaws are the latest mode of informal sector transport which preceded ordinary Rickshaws and Share autos in the recent times. In the past, entry level informal sector transport operations also had faced the same challenges as E-Rickshaws face now. In order to clear the air, The Ministry of Road Transport and Highways issued circular legalising E-Rickshaws in Delhi on 17<sup>th</sup> June through the proposed Deendayal E-Rickshaw Scheme<sup>1</sup>. In Delhi, Mr Nitin Gadkari, Minister (MoRTH) took a very bold and proactive stand on the issue by directing the Municipal Corporation of Delhi to register E-Rickshaws and issue Identity Cards to drivers. However, the detailed specifications has been missing which poses a major issue to the E-Rickshaws drivers and those interested to venture into the field. But the issue has been brought to the attention of Hon'ble High Court of Delhi who on July 30<sup>th</sup> asked to ban and stop services of E-Rickshaws till the matter is heard and the court delivers the judgement. Given the intentions of the Government, it is important to gain clarity on the functioning of E-Rickshaw system across India while the Court intervention demands for the policy framework to avoid litigations related to the subject in future. A comprehensive policy framework regarding E-Rickshaws and IPTs is the need of the hour.



Following issues need to be addressed through an E-Rickshaw policy:

- Legal clarity on definition of e-rickshaw and the roles and responsibilities of the stake holders involved
- Rules framework specifying the type, size, speed parameters etc
- Infrastructural changes required in urban cities
- Fare cost, Standards and penalty clauses
- Ownership and Identification procedures

<sup>1</sup> "Proposed Deendayal E-Rickshaws Scheme", Press Information Bureau, Ministry of Road Transport & Highways, June 19, 2014

## CPPR and E-Rickshaws

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Centre for Urban Studies; the focus study centre specialises on Urban related studies especially on Transport. CPPR has been a strong proponent of Integrated Transport development, sustainable transport and smart mobility. Our studies on, IPT's (on Auto Rickshaws and Share Autos in Chennai), Parking (Chennai and Kochi), Mobility Hub (feasibility study report for the first one in India) etc have been based on these approaches which has been made functional with the support and engagement by the government. We believe that IPT systems have a major role in supporting the public transport systems and will facilitate tacking of the last mile connectivity issue. CPPR has been arguing for integration of existing IPTs in major Transport systems and have closely worked in these lines in Chennai and Kerala. CPPR supports the call for a national E-Rickshaw policy which will support the cause of a sustained transport system.

**Prominence of E-Rickshaws**

E-Rickshaws have now become a popular mode of transport in India, China, Nepal and Bangladesh. Electric tricycles are common in Germany, France and Switzerland while modified version ply in Asian countries.

- **Kolkata:** Locally called "totos", the battery operated rickshaws were running between Rishra in Hooghly and Bally in Howrah on the age-old Grand Trunk Road. Banned in two districts after HC ruling
- **Bangladesh:** Banned import of e-rickshaws
- **Delhi:** Regulatory approval given by Ministry of Road Transport
- **Tripura:** Tripura Battery Operated Rickshaw Rules,2014

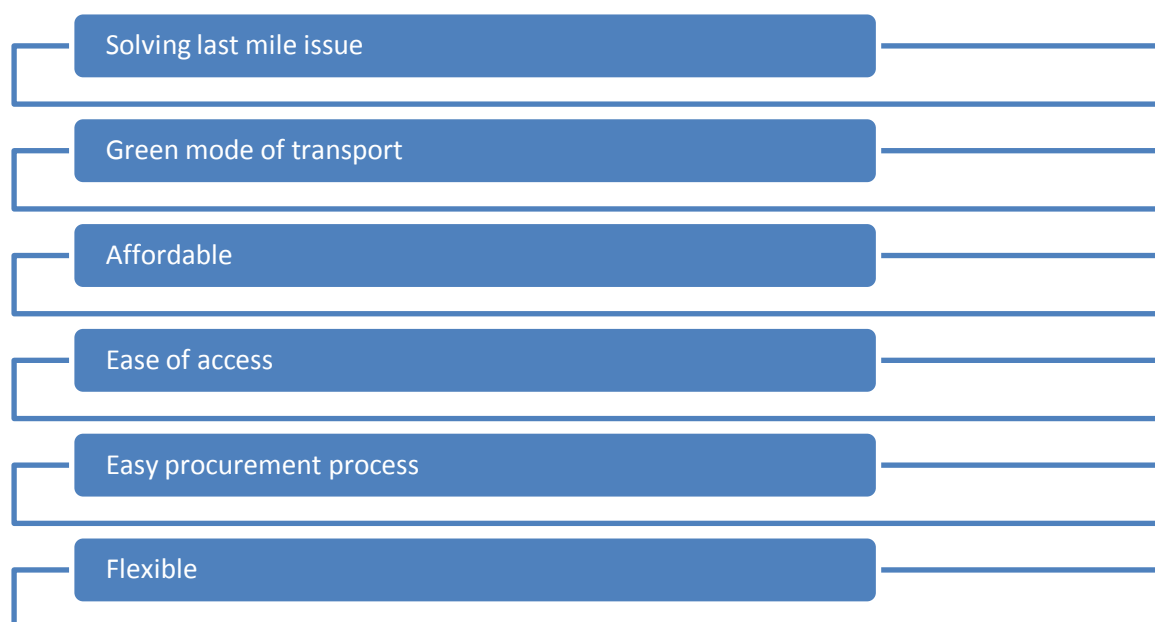
**Population**

- The number in Delhi as per government officials by April 2012 was over 100,000 in Delhi
- Tom-Tom in Tripura
- 15,458 in Dhaka, Bangladesh, District Traffic police

**Cost**

- The cost varies from Rs.85000 to 125000.
- The cost is added due to battery(Lead Acid battery) which costs around Rs.17000-22000
- Chinese version of FRP Rickshaw will cost 0.5 times more than an Indian maker

### Benefits of E-Rickshaws



### Recommendations

Some of the factors that affect E-Rickshaws which require action at different levels:

<b>Financing and Loan</b>	80 percent e-rickshaw drivers drive rented vehicles. Financing of e-rickshaws to be eased with attractive banking interest rate of 3 percent to be uniformly applied. Subsequent rates for motor-operated rickshaws to be maintained.
<b>Insurance or benefits</b>	Insurance schemes customized for e-rickshaw drivers & family and passengers. This could be promulgated at the behest of the local self-government through micro insurance schemes designed for the targeted beneficiaries of the group.
<b>Environment friendly</b>	Encourage and incentivize electrically operated systems. Subsidies and bank credits incentivising the environment friendly operations to be introduced.
<b>Livelihood</b>	Ownership and regulations to benefit drivers. E-Rickshaw drivers earn roughly between Rs 300-400 per day compared to Autorickshaw drivers who earn around Rs 1000 per day

<b>Legal status</b>	Give Public transport status to IPT services like Share Autos and E-Rickshaws. Relevant amendments to MV Act and vesting regulatory powers on City Municipal Corporations or Municipalities as the case maybe. This will help lifting the ban imposed by Court over the system
<b>Traffic</b>	Regional Traffic Police shall be authorized to penalize and stop violation of rules. Safety guidelines, baggage weight to be set by Municipal Corporation
<b>Safety</b>	Speed Limit of 15 km/hr to be fixed with Speed Governors by Municipal Corporation Issuing of ID Cards shall also vest with the Corporation with driver and registration details, contact and address displayed in vehicles
<b>Fare</b>	Devised based on operation cost commensurate with revenue generated by Municipal Corporation. UMTA to be given the mandate to fix charges consequently.

The E-Rickshaw systems in India which operates in a highly un-regulated environment need to be regularised through legal and policy interventions.

**Legal Status:** Provisions in Municipal or Panchayath laws for E-Rickshaw to be introduced. Battery powered vehicle between 50 Watts to 750 Watts to be governed by Municipal Corporation. Amendments to Central Motor Vehicles Act and Rules, 1989 to be made, namely Section 2(u) defining battery operated vehicle. Section 2(u)(i) to be amended to “i) thirty minutes power of the motor is less than 0.75 Kw”.

**Registration:** As Municipal Corporation has been given the mandate for registration and issue of Identity cards; relevant mechanisms shall be created to ensure the smooth functioning of the registration process. A list of all Registered and authorised dealers of E-Rickshaw shall be furnished to Municipal Corporations or Office-in-charge. Accreditation Certificate from Council for Scientific and Industrial Research (CSIR) required for ensuring uniformity in design and specifications with testing of the vehicles vested on experienced personals from Municipal Corporation/RTO or from Private authorised Consultants. The Registration details shall be available online while a printout to be stuck for display in all registered E-Rickshaws. Validity of Registration shall be 5 years which shall be renewed with the Municipal Corporation. Registration shall be completed only after furnishing of adequate identity proof of the owner/driver of the

vehicle. Penalty shall be fixed for not furnishing or wrong furnishing of information. Corporation can come up with Mobile Units which will inspect on E-Rickshaws and also given the task of formalising registrations. Specifications of E-Rickshaws shall be made public and displayed for the information of all manufactures; so as to avoid violations and uniformity in designs.

**Route Permits:** Permits shall be given by the Municipal Corporation for plying of E-Rickshaw within identified limits and locations. Route and road maps shall be developed for providing such route permits which will allow E-Rickshaws to ply in select routes only. Operation Study to be conducted to identify these routes which shall not have other major transport systems and taking into factors of traffic and transport density, accessibility and availability. This could be based on the periodic transport audits conducted by the corporation on the access and penetration of public transport. This shall be linked to the mainstay of the existing public transport so as to act as feeder systems.

**Finance:** Provisions for financing E-Rickshaws shall be eased through appropriate processes. Minimal interest rates with ease of formalities shall be enabled for supporting E-Rickshaw drivers and owners. The Draft policy prepared by South Delhi Municipal Corporation has stipulated an interest rate of 3 percent which is a welcome step and shall be made applicable for all states. Ease of access to finance shall enable 'drivers to become owners' and shrug away moneylenders. Customised finance schemes for E-Rickshaws shall be introduced with the support and guarantee of the government aimed at promoting electric vehicles. This could be financed by NBFCs and micro insurance institutions. The policy shall encourage the finance operations through a regulated market action where the supplier, owner and financial institutions will take active interest in developing the market.

**Operation:** E-Rickshaws shall operate only with the Route Permits provided by Municipal Corporation. Flexibility of service will be allowed in consultation with traffic police and Regional Transport Authorities. Municipal Corporation shall provide special lanes for E-Rickshaws to operate. This shall be systematically incorporated in the Master Plans of each city. They can operate in residential areas and high dense populations providing the last mile connectivity between work and home and market places. E-Rickshaws shall be developed as feeder system for metro/mono rails, public buses, BRTS etc providing them passengers from areas which are unconnected by major transport modes. These systems shall operate within 5 km radius connecting inner roads which are narrow and inaccessible. An Operation Plan for E-Rickshaw shall be developed based on geography, traffic and transport characteristics etc. This shall necessarily aid the growth of a sustainable transport system in India.