

No. 12(35)/2007-AEI  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Heavy Industry  
AEI Section

Udyog Bhawan, New Delhi  
Dated March 2007.

To

1. ALL MANUFACTURERS OF PASSENGER CARS( as per list).
2. SIAM, New Delhi.

**Subject: Supply of car for physically handicapped customers on concessional rate of excise duty.**

Dear Sirs,

I am directed to refer to this Department's letter number 12(18)/98-AEI dated 14<sup>th</sup> June 1998 on the above subject (copy enclosed for ready reference) and to say that with a view to help the physically handicapped, the Ministry of Finance, Government of India, has allowed a concessional rate of excise duty of 8% as against the normal rate of 16% and 24%.

- On cars being able to be driven by the physically handicapped; or
- On carts which has been suitably designed to be able to be driven by physically handicapped; or
- on cars meant for physically handicapped.

**2.** Further, the Notification issued by Ministry of Finance, inter alia stipulates that this concession can be claimed on if a Deputy Secretary/Director in the Ministry of Industry certifies that the vehicles is fit for use by the handicapped persons .

**3.** This Departments had since finalized the criteria for issue of such certificates to the handicapped persons and it was brought to your notice for necessary action in the matter. The crieteria are as follows :-

(a) The handicapped applicant produces a medical certificate from the Medical Officer of a Government Hospital, as in the prescribed proforma (annexure-I).

(b) The handicapped person produces a certificate from the manufacturer of a passenger car to the effect that a booking has been made with them has been made with them and that the passenger car to be delivered to the handicapped person has specifically been designed or fitted with

special control devices or gadgets, depending upon the type of disability of the person, such as auto transmission, grip assembly, accelerator pedals, hand control, etc. fitted in the depending upon whether the disability is in right/left arm or in both legs or in combination. (Specimen is placed at Annexure-II).

(c) The applicant gives an affidavit that he had not availed of this concession in the last 5 years and that he will not dispose of the cars cars with excise duty concession after purchase for a period of 5 years.

The above criteria along with the proforma are also available on the Department's website: [www.dhi.nic.in](http://www.dhi.nic.in).

**4.** It was hoped that persons with disability, who can afford to purchase a car, will make use of this facility by submission of suitable application along with the above documents, to this Department for examination and issue of the necessary certificate for availing the excise duty concession extended by the Governments.

**5.** However it has been brought to the notice of the Department that there are very few models of cars available in the market which are suitable for limited disabled persons. It has been also noticed that many vehicle manufacturers are not manufacturing cars suitable for physically disabled persons thus depriving them the benefit of the excise duty concession available under the Notification of the Ministry of Finance.

**6.** It is, therefore, requested that you may consider to manufacture at least one or two models of cars suitable to be driven by the physically challenged persons and extend this facility to your customers who are handicapped. In case you are manufacturing cars suitable for the handicapped persons, a list of all such models may be provided to the Department.

Yours faithfully,

**(Jayanthi G.)**  
**Under Secretary to the Govt. of India**  
**Tel/Fax-2306 3347.**

**Copy for information to:**

- 1. The Ministry of Welfare, New Delhi.**
- 2. The Chairman, Central Board of Excise & Customs, Ministry of Finance, North Block, New Delhi.**