

Auto, component firms score low on PLI in FY24

Four firms out of 18 received certification for their models

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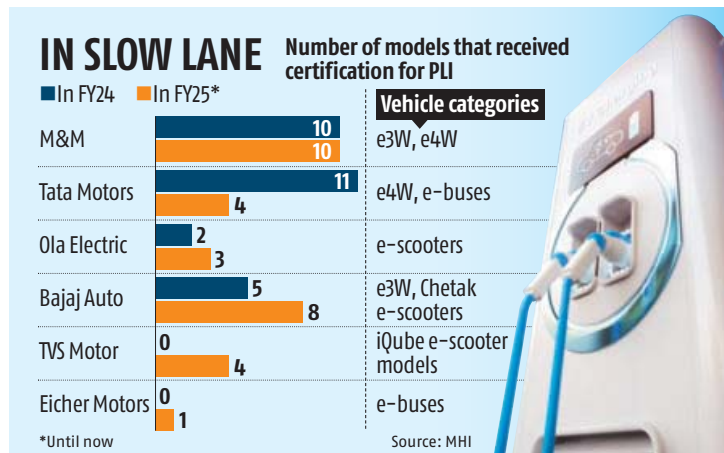
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For automobiles and auto components, the year 2023-24 turned out to be lacklustre as far as the production-linked incentive (PLI) scheme is concerned.

Of the 18 players eligible for the scheme — automobile original equipment manufacturers and non-automobile companies — just four received certification for their models from the government. And only three made their claims for the incentive for FY24, for which the deadline closed on September 30.

The players include two- and three-wheelers and other categories such as cars and buses. The Centre has budgeted ₹25,938 crore for five years as PLI for this sector.

Certification is given only for models that have at least a 50 per cent domestic value addition, a key



requirement. Based on tentative estimates, the government had earmarked ₹604 crore in the first year as incentive. Tata Motors, one of the four to receive certification, has said it has also submitted claims for all the models it is eligible for. These include seven models of the Tiago EV variants, two of the Tata Ace variants, and two Tata e-buses.

Suman Mishra, CEO of Mahindra Last Mile Mobile Mobility, which

makes e-three-wheelers, said they had claimed incentives under the PLI. The company received certification for 10 electric three-wheelers in FY24.

Ola Electric too confirmed it had claimed PLI. Some of its select models for which it received certification in FY24 include the Ola S1 Pro and Ola S1 Air. For the other three models, it got clearance in August and September this year.

However, Bajaj Auto executives have said it will apply for PLI in FY25 as all its certification for its range of electric vehicles is in place now.

It had certification for five of its electric three-wheelers but it came only as late as in March. Between April and July FY25 it received certification for all their five models of the electric Chetak.

TVS Motor, which comes third in electric two-wheeler sales, did not receive certification for any of its electric scooters in FY24. But it received them in FY25 for five electric scooter models between April and September this year. It can claim reimbursement this financial year. The company did not respond to the query *Business Standard* sent.

The list of notable misses which have neither received certification nor have applied includes Suzuki Motors, Hyundai, Kia, Ford India, Ashok Leyland, Hero Motocorp, Elest, Hop Electric and Booma.

In auto components, the three that received certification to date are Sona BLW Precision Forgings, Delphi-TVS Technologies, and Toyota-Kirloskar Auto Parts.