

M&M, Ola Electric, Tata Motors to get first mover advantage under PLI-Auto, FAME-II

Our Bureau
New Delhi

Vehicle manufacturers including Mahindra & Mahindra (M&M), Ola Electric and Tata Motors will get the first mover advantage of benefits under two schemes - production-linked incentive (PLI) and Faster Adoption and Manufacturing of (Hybrid & Electric Vehicles in India (FAME-II) - under the Ministry of Heavy Industries (MHI).

Ola received the official PLI auto certification on Monday from the International Centre for Automotive Technology (ICAT), Manesar, with the effective date of availing the PLI benefit being the first fortnight of February. M&M and Tata Motors got the certification from the Auto-



ICAT awards its first PLI-Auto Certificate to Ola Electric

motive Research Association of India (ARAI, Pune), Hanif Qureshi, Additional Secretary, MHI, said.

These companies will gain from both the schemes on manufacturing the vehicles, though the FAME-II incentives will be valid only till this month-end (till March 31, 2024).

Tata Motors is one such company which enjoys FAME-II benefits for its vehicles including Ace EV, EV Bus and Xpres-T EV (fleet EV).

OLA VEHICLES

Under the auto PLI scheme, Ola is the first company to be handed over the certificate by ICAT, under the MHI. Ola's two battery electric vehicles - Ola S1 Pro Gen2 - met the criteria of minimum DVA (domestic value addition) of 50 per cent under the scheme making it eligible for benefits.

Both the vehicles have been on-road since September 2023, but now will be able to avail incentives under the PLI scheme from the date of issuance of the certificate (mid-February).

"Whatever the date is, the incentives will be ap-

plicable from that day onwards...the claims are annual. For all sales in 2023-24, claims can be filed only in FY2024-25," Qureshi said.

The Centre had approved the PLI scheme for automobile and auto components industry on September 15, 2021 with a budgetary outlay of ₹25,938 crore.

The scheme proposes financial incentives to boost domestic manufacturing of advanced automotive technology (AAT) products and attract investments in the automotive manufacturing value chain.

A total of 115 companies had submitted applications under the scheme and 85 applicant companies were selected including 18 original equipment manufacturers (OEMs) and 67 component companies.