

Bajaj gets DVA certificate for all 15 EV models



THE DVA EQUATION

- Most companies still have DVA certificates pending or under review by MHI
- Only six of the 20 firms eligible for PLI scheme have applied for DVA for at least one model
- In the PLI scheme for champion two- or three-wheeler OEMs, two out of four companies have applied for DVA
- In the PLI scheme for non-auto OEMs, only one company (Ola) out of six has applied for DVA
- Companies like Ather Energy are not eligible for the PLI scheme

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New Delhi, 22 August

Bajaj Auto has become the first automotive (auto) original equipment manufacturer (OEM) to receive a domestic value addition (DVA) certificate for all 15 electric vehicle models it submitted for clearance from the Ministry of Heavy Industries (MHI).

As of August 21, 2024, MHI has approved 50 out of 74 models submitted by six companies, including Tata Motors, Mahindra & Mahindra (M&M), Ola Electric, TVS Motor Company, Eicher Motors, and Bajaj Auto. The remaining applications are still under review.

The DVA certificate is crucial for receiving incentives under the production-linked incentive (PLI) scheme, which requires companies to achieve 50 per cent or more localisation in their vehicles to claim benefits.

However, a point of concern is that while 20 firms are eligible for the PLI scheme for auto OEMs (including electric two-wheelers, three-wheelers, four-wheelers, and non-auto OEMs), 14 of them have not applied for a DVA certificate, suggesting they may not have any

qualifying products in their portfolio.

Notable absentees include Suzuki Motors, Ashok Leyland, Ford India, Hyundai Motor India, Kia India, PCA Automobiles India, and Pinnacle Mobility Solutions.

In the two-wheeler segment, Hero MotoCorp and Piaggio Vehicles have also not submitted any applications. Among non-auto OEMs, five out of six eligible companies (excluding Ola) have yet to apply.

Bajaj, however, has received DVA clearance for 10 electric scooters under the Chetak Blue range and variants, along with five electric three-wheelers. Ola has had four of its five vehicles approved, including the Ola S1 Pro, Ola S1 Air, and two variants of the Ola S1 X at 3 kilowatt-hour (kWh) and 4 kWh. TVS has secured approval for two out of five applications: the TVS iQube S and the TVS iQube SmartXconnect. Eicher has one application still pending.

Among carmakers, Tata Motors has received clearance for 15 of the 27 vehicles for which it applied. M&M has received approval for 16 of the 23 models it submitted, all of which are electric three-wheelers.