

Teaching Case Study of PLI Auto Scheme Incentive to Ola Electric: For Sustainable Entrepreneurship

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Teaching Case Study of PLI Auto Scheme Incentive to Ola Electric: For Sustainable Entrepreneurship

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ABSTRACT

Source of the case: (Primary / Secondary / No armchair cases) The case study utilised secondary web-based articles to analyse Ola Electric, drawing insights from various news reports and organisational resources found online. This approach ensured a comprehensive overview of the company's strategies, achievements, and alignment with initiatives like the PLI Auto Scheme.

Case outline: The Production Linked Incentive (PLI)-Auto scheme is a significant government initiative aimed at bolstering domestic manufacturing, encouraging advanced automotive technologies, and enhancing India's global competitiveness. It aims to localise production and drive innovation in electric vehicles (EVs). The Union Cabinet approved this scheme on September 15, 2021, allocating a budget of ₹25,938 crores for a duration of five years, from FY2022-23 to FY2026-27. This scheme provides financial incentives for the domestic manufacturing of Advanced Automotive Technology (AAT) products, including electric vehicles and their components. The goals are to decrease imports, establish local supply chains, generate jobs, and position India as a global hub for auto manufacturing. Additionally, Industrial Finance Corporation of India (IFCI) Limited has been appointed as the financial institution responsible for distributing the PLI scheme incentive, totalling approximately ₹366.78 crore, to Ola Electric under this initiative. Ola Electric reported deliveries of 3,59,221 electric two-wheelers in FY25, up from 3,29,549 units in the previous fiscal. In 2010, ANI Technology Pvt. Ltd., founded by Bhavish Aggarwal along with co-founder Ankit Bhati, launched the website Ola Cab, and in 2015, it became a unicorn. In 2017, they launched a separate entity as Ola Electric Vehicle. Ola Electric was established as a separate entity focusing on electric vehicles. It has successfully fulfilled 50% of the minimum localisation criteria set by the Ministry of Heavy Industry to qualify for the Production-Linked Incentive (PLI) auto scheme. The company received certification from the Automotive Research Association of India (ARAI) and is recognised as the only EV maker to obtain PLI compliance certification for four different products. Sustainable entrepreneurs play a vital role in advancing innovation, particularly within the electric vehicle (EV) sector. Ola Electric exemplifies sustainable entrepreneurship by focusing on the development and market introduction of electric vehicles, which are designed to minimise environmental impact and promote cleaner transportation solutions. Their approach involves innovation not only in product design but also in manufacturing processes to enhance sustainability. Ola Electric is driving technological advancements that align with the UN Sustainable Development Goals, showcasing that businesses can thrive while being environmentally responsible. Ola Electric, for instance, is not just introducing electric vehicles but also enhancing production methods, aiming for higher localisation and reduced carbon footprints. This dual focus helps foster

sustainability within the automotive industry while contributing to broader economic goals, such as job creation and self-reliance, in line with initiatives like Aatmanirbhar Bharat.

Learning outcomes of the case:

- (1) *How Start-ups can utilise the Government Scheme for expanding growth.*
- (2) *What is the prerequisite for availing PLI Schemes*
- (3) *Impact of Government support for the Indian Start-up ecosystem Aatmanirbhar Bharat*
- (4) *The role of IFCI in granting the PLI Scheme.*
- (5) *To know the role of Start-ups in Sustainable Entrepreneurship for the growth of the Indian Economy.*
- (6) *To know the Impact of the PLI Auto Scheme on the share price of Ola Electric.*

Decision Dilemma / Discussion point:

- (1) *What were the core reasons for Ola Electric applying for the PLI Auto Scheme?*
- (2) *To know the leadership initiative by the Ola Electric Co- Founder*
- (3) *Comment upon the Sustainable Leaders. Hip for Aatmanirbhar Bharat(self-reliance) Indian Economy.*
- (4) *How does the PLI auto Scheme impact the share price of Ola Electric in BSE and NSE?*
- (5) *Was the right decision to apply the Production Linked Incentive (PLI)-Auto scheme by the start-up company?*
- (6) *Comment upon the Make in India driving innovation in the EV segment.*
- (7) *The role of Sustainable entrepreneurs in manufacturing capabilities and their focus on developing electric vehicle technology in India.*
- (8) *How has Ola Electric raised funds for its growth and product design?*

Keywords: PLI, Ola Electric, Industrial Finance Corporation of India (IFCI) Limited, Funding Sustainable Entrepreneurship, Aatmanirbhar Bharat; UN Sustainable Development Goals, Teaching Case Study

1. INTRODUCTION :

Ola Electric, an EV start-up spun out of ANI Technologies (Ola Cabs), had become a major player in India's electric two-wheeler market and sought to scale its operations through localisation and product innovation. By FY25, Ola Electric had emerged as one of India's leading electric two-wheeler manufacturers, reporting deliveries of about 359,000 units, up from roughly 330,000 units in the previous fiscal year. This positioned the firm in the heart of India's EV growth story, where two-wheelers accounted for close to 60% of national EV sales and three-wheelers a further 36%, while overall EV penetration in the automotive market had risen to more than 8%. Ola Electric's strategy relied on scale, direct-to-consumer distribution, and a strong digital brand to capture share in a market increasingly targeted by both domestic incumbents and global players. The Government of India introduced the Production Linked Incentive (PLI) Auto scheme to accelerate domestic manufacturing of advanced automotive technologies and position India as a competitive global hub for electric vehicles (EVs) and components. To support its growth ambitions and align with national policy priorities, Ola Electric invested in the localisation of key components and advanced automotive technologies. The company met the minimum localisation criteria defined by the Ministry of Heavy Industries and received certification from the Automotive Research Association of India (ARAI), becoming the only EV maker to secure PLI Auto compliance for four different products at that time. This achievement made Ola Electric eligible for an incentive of approximately ₹366.78 crore to be disbursed through IFCI Limited, the financial institution appointed to administer the PLI Auto scheme, and raised critical questions for management about how to deploy this support to consolidate its competitive position and pursue sustainable growth. Ola Electric invested in the localisation of key components and advanced automotive technologies. The company met the minimum localisation criteria defined by the Ministry of Heavy Industries and received certification from the Automotive Research Association of India (ARAI), becoming the only EV maker to secure PLI Auto compliance for four different products at that time. Ola Electric is at the forefront of technological advancements that align with the UN Sustainable Development Goals, demonstrating that it is indeed possible for businesses to thrive while maintaining a commitment to environmental responsibility. Their innovative approaches not only focus on creating

electric vehicles but also emphasise sustainable manufacturing processes, thereby minimising environmental impact. By prioritising cleaner transportation solutions and fostering technological innovation, Ola Electric sets a benchmark for sustainable entrepreneurship within the automotive sector.

2. OLA ELECTRIC: BUSINESS MODEL AND GROWTH PATH :

ANI Technologies Private Limited, the parent company of Ola Cabs, was founded in 2010 by Bhavish Aggarwal and Ankit Bhati as an app-based ride-hailing platform and achieved unicorn status by 2015. Building on its mobility ecosystem experience and brand recognition, the group created Ola Electric in 2017 as a separate entity focused on designing, manufacturing, and selling electric vehicles, with an initial emphasis on the high-volume two-wheeler segment.

By FY25, Ola Electric had emerged as one of India's leading electric two-wheeler manufacturers, reporting deliveries of about 359,000 units, up from roughly 330,000 units in the previous fiscal year. This positioned the firm in the heart of India's EV growth story, where two-wheelers accounted for close to 60% of national EV sales and three-wheelers a further 36%, while overall EV penetration in the automotive market had risen to more than 8%. Ola Electric's strategy relied on scale, direct-to-consumer distribution, and a strong digital brand to capture share in a market increasingly targeted by both domestic incumbents and global players.

To support its growth ambitions and align with national policy priorities, Ola Electric invested in the localisation of key components and advanced automotive technologies. The company met the minimum localisation criteria defined by the Ministry of Heavy Industries and received certification from the Automotive Research Association of India (ARAI), becoming the only EV maker to secure PLI Auto compliance for four different products at that time. This achievement made Ola Electric eligible for an incentive of approximately ₹366.78 crore to be disbursed through IFCI Limited, the financial institution appointed to administer the PLI Auto scheme, and raised critical questions for management about how to deploy this support to consolidate its competitive position and pursue sustainable growth.

Table 1: Ola Sustainable Growth till -2025

Year	Sustainable Growth
2017	Ola Electric - Clean Tech Company Founded by Bhavish Aggarwal and Separate from ANI Technologies.
2019	Ola Electric raised US\$56 million from Tiger Global and Matric India
May,2020	Ola Electric Acquired Etergo, an Amsterdam-based electric scooter manufacturer.
December,2020	World's largest two-wheeler factory (Future Factory) in Tamil Nadu.
2021	Ola Electric S1, S1 Pro Model was delivered.
September,2021	Ola Electric raised \$200 Million from Falcon Edge, SoftBank Group and Investment by Singapore-based firm Temasek.
January,2022	Ola Electric has strategically invested in the Israeli Firm Store Dot, which is renowned for its ground-breaking technology in manufacturing ultra-fast charging batteries. This partnership is aimed at significantly advancing the charging capabilities of electric vehicles, thereby addressing one of the primary concerns faced by EV users: charging time.
July,2022	Ola Electric has established the Battery Innovation Centre (BIC) in Bengaluru as part of its commitment to advancing electric mobility and sustainable energy solutions. The BIC serves as a research and development hub, focusing on the innovation and optimisation of battery technology, which is a critical component for electric vehicles (EVs).
October,2023	Ola Electric recently secured \$140 million in equity and \$240 million in debt to establish a lithium-ion battery manufacturing facility, known as the Ola Gigafactory, in Tamil Nadu. This significant investment is part of Ola's strategy to enhance its production capabilities and support the growing demand for electric vehicles.

August,2024	Ola Electric went public, raising ₹6,145.56 crore at an issue price of ₹76 per share. This move signals a significant step for the company as it aims to expand its operations and strengthen its position in the electric vehicle market. The funds raised will likely support further development, production capabilities, and initiatives aligned with sustainability goals, as the company continues to leverage government support through schemes like the PLI Auto Scheme. This public offering reflects investor confidence in Ola Electric's growth potential and its commitment to innovation in the electric vehicle sector.
September,2024	Unveiled Electric Three-wheeler
August,2024	Unveiled its prototype motorcycle series called the "Roadster." This new range signifies the company's commitment to expanding its electric vehicle portfolio beyond two-wheelers to include more diverse offerings in the electric motorcycle segment.
2025	Launched three variants of the Roadster Motorcycle
December,2025	The Ministry of Heavy Industries sanctioned the PLI Auto Scheme to Ola Electric. It is the first two Veheeler received the PLI Auto Scheme Incentive.

Source: en.wikipedia.org/Ola Electric.com

3. OLA FOUNDER FOCUSES ON SUSTAINABLE ENTREPRENEURSHIP :

Sustainable entrepreneurial startups, like Ola Electric, play a crucial role in fostering innovation and building business resilience while addressing pressing environmental challenges. Led by Bhavish Aggarwal and his team, Ola focuses on manufacturing its own core electric vehicle (EV) components, as well as designing clean mobility solutions. They are dedicated to creating a sustainable ecosystem that encompasses the entire EV supply chain, including manufacturing, design, charging infrastructure, software development, and battery innovation. Ola's manufacturing plant, located in Tamil Nadu, aims for an impressive production capacity of 10 million units annually. Meanwhile, their software design efforts in Bengaluru focus on developing the S1 and S1 Pro scooters. By adopting a direct-to-consumer approach, Ola not only streamlines its operations but also strengthens its connection with customers. Through its commitments, Ola Electric is reducing carbon emissions and working towards a cleaner environment for future generations. Ola Electric is India's first company to fully own the battery 4680 Bharat Cell and its manufacturing process in-house. This significant achievement underscores Ola's commitment to advancing electric vehicle technology and enhancing local production capabilities. By controlling the entire manufacturing process, Ola Electric not only ensures quality and efficiency but also positions itself at the forefront of the EV sector in India. Ola has made a significant investment in the construction of a 20 GWh lithium-ion cell Gigafactory located in Krishnagiri, Tamil Nadu. This initiative is supported by the Government of India's Production Linked Incentive (PLI) scheme, which aims to boost domestic manufacturing in the electric vehicle sector. The establishment of this Gigafactory is a strategic move to enhance India's capability in producing essential components for electric vehicles, thereby fostering innovation and sustainability in the automotive industry. This investment not only contributes to Ola's growth but also aligns with national goals of self-reliance and reducing dependence on imports for critical technology. This Auto Scheme is driving innovation and sustainability in the automotive industry. The government has certified Ola Electric's flagship electric motorcycle, the Roadster X+, which features the in-house developed 4680 Bharat Cell battery pack. The Roadster X+ (9.1 kWh) received approval under the Central Motor Vehicle Rules (CMVR), 1989, from the International Centre for Automotive Technology (iCAT) in Manesar. This certification comes after the motorcycle successfully passed a series of safety, electrical, performance, and environmental tests mandated by the Ministry of Road Transport and Highways (MoRTH) for battery-operated electric two-wheelers. Their initiatives align UN Sustainable Development Goals (SDGs) with several Sustainable Development Goals (SDGs), such as: SDG 7: Affordable and Clean Energy,- SDG 8: Decent Work and Economic Growth,- SDG 9 Industry, Innovation, and Infrastructure,- SDG 11: Sustainable Cities and Communities,- SDG 13: Climate Action and - SDG 17: Partnerships for the Goals, By incorporating these goals into their business strategy, Ola Electric not only champions environmental sustainability but also contributes to the broader economic growth of India, showcasing how start-ups can lead the way in sustainable entrepreneurship.

Sustainable entrepreneurs play a critical role in achieving the Sustainable Development Goals (SDGs), and Ola Electric is a prime example of this commitment. Among the 17 SDGs, Ola Electric has made significant strides in several key areas are SDG 5 Gender Equality, SDG7 Affordable and Clean Energy, SDG8 Decent Work and Economic Growth, SDG 9 Industry, Innovation and Infrastructure, SDG 13 Climate Action and SDG 17 Partnership for the Goals.

Table 2: Sustainability Goals Promoted by Ola Electric

SDG NO.	Sustainable Development Goals	Efforts towards SDGs
5	Gender Equality	Ola Future Factory India's first and only all-women Automobile Plant. Ola Electric has taken a significant step in promoting gender equality in the automotive industry with the establishment of the Ola Future Factory, which is India's first and only all-women automobile plant. The Ola Future Factory, designed to manufacture electric scooters, empowers women by providing them with employment opportunities in manufacturing roles by appointing all women workforce. This initiative reflects Ola Electric's commitment to sustainable and responsible business practices, extending beyond just environmental goals to encompass social responsibility as well. The plant has been designed to leverage advanced automation and manufacturing technologies, integrating these innovations with a workforce that embodies diversity and empowerment. Ola Electric showcases that creating sustainable business practices can include significant social dimensions, contributing to both economic growth and societal development. [10]
7	Affordable and Clean Energy	Ola Electric is developing a sustainable electric two-wheeler factory in Krishnagiri, Tamil Nadu, which is anticipated to be the most advanced facility of its kind in the world. Spanning 500 acres, this factory incorporates 100 acres of forest and includes an additional two acres of forest within the plant itself. The vision for this facility is to achieve a carbon-negative impact, positioning it potentially as the most sustainable factory globally. One of the key strategies for sustainability is the export of carbon credits through various means, including supplying excess renewable energy back to the public grid. This initiative not only emphasises Ola Electric's commitment to environmentally responsible manufacturing but also aligns with broader efforts to promote renewable energy and sustainable practices in the automotive industry.
8	Decent Work and Economic Growth	Ola Electric plays a crucial role in India's startup ecosystem by fostering a sustainable entrepreneurship culture that drives a resilient and inclusive economy. By manufacturing electric vehicles, Ola Electric not only creates employment opportunities for residents but also aligns with the Aatmanirbhar Bharat initiative, which aims at achieving self-reliance and boosting the Indian economy. Their commitment to sustainability helps in reducing environmental impact while promoting cleaner transportation solutions, demonstrating how innovative start-ups can contribute significantly to economic growth and self-sufficiency in India.
9	Industry, Innovation and Infrastructure	Ola Electric has made significant strides in integrating technology with its operations by establishing a robust infrastructure that includes 1,900 AI-driven robots for fast charging stations and the development of 4680 cells. These cells represent the first indigenously produced batteries at the Bengaluru Battery Innovation Centre. This initiative aligns with Sustainable Development Goal 9

		(SDG 9), which focuses on building resilient infrastructure, promoting inclusive and sustainable industrialisation, and fostering innovation. By investing in advanced battery technology and automation, Ola Electric is not only enhancing the efficiency of its electric vehicle charging solutions but also contributing to the broader goals of sustainable industrial growth in India. This commitment underscores the company's role in advancing clean technology and supporting a sustainable future.[11]
13	Climate Action	Ola Electric is making significant contributions to climate action by manufacturing electric two-wheelers, which help regulate emissions and combat climate change. By focusing on electric vehicles (EVs), the company is actively reducing the carbon footprint associated with traditional gasoline-powered vehicles. This shift not only lowers harmful emissions but also promotes cleaner air quality and sustainable urban mobility. Ola Electric's commitment to developing innovative EV technology aligns with global efforts to combat climate change, demonstrating that businesses can play a crucial role in creating environmentally friendly transportation solutions. Their efforts in promoting electric mobility contribute to a broader vision of sustainability, encouraging a greener future while addressing urgent climate challenges.
17	Partnerships for the Goals	Ola Electric has taken significant steps to enhance its production capabilities and expand its footprint in the electric vehicle (EV) market. The company has formed strategic partnerships with prominent firms, including Siemens, Hyundai, and Kia, to develop its Future Factory, which is aimed at revolutionising the manufacturing process of electric vehicles. Ola Electric has also acquired a Netherlands-based electric scooter company, further strengthening its position in the global EV sector. Moreover, the partnership with LG Chem as a cell supplier is a critical component in Ola's strategy to optimise battery production for its electric vehicles. Additionally, Ola Electric is collaborating with the Ministry of Heavy Industries to promote domestic EV battery production under the Production Linked Incentive (PLI) scheme for Advanced Chemistry Cells (ACC). This collaboration is expected to boost local manufacturing capabilities, foster technological advancements, and contribute to the broader goals of self-reliance and sustainability in the Indian automotive industry.

Source: Author.

As Bhavish reviewed the company's growth trajectory, the EV industry projections, and the conditions attached to the PLI scheme, he knew that the decision would shape Ola Electric's ability to deliver on its promise of sustainable entrepreneurship. Choosing how to allocate the ₹366.78 crore incentive meant balancing three competing imperatives: meeting and exceeding localisation thresholds to secure future policy support, scaling fast enough to defend and grow share in the core two-wheeler segment, and building the technological and financial resilience needed to navigate an increasingly crowded and policy-driven market. The question he faced was not whether the PLI Auto scheme was attractive, but how Ola Electric should deploy the sanctioned funds—across localisation, capacity expansion, technology, pricing, and market development—to create a durable competitive advantage and justify the market's expectations for both growth and profitability.

4. PRODUCTION LINKED INCENTIVE TO OLA ELECTRIC FOR PROMOTING ATMANIRBHAR BHARAT SUSTAINABLE ENTREPRENEURSHIP :

The PLI- Auto Scheme of the Government of India is designed to foster a more Atmanirbhar Bharat by promoting sustainable enterprises in domestic production. Its objectives include enhancing localisation,

driving innovation, reducing import dependency, and creating jobs. This initiative seeks to boost India's manufacturing capabilities in advanced automotive technology while positioning the country as a significant player in the global electric vehicle (EV) supply chain. Ola Electric stands out as the first two-wheeler automotive electric vehicle manufacturer to receive PLI incentives, which are based on the sales value of electric scooters. This recognition underscores Ola Electric's pivotal role in the EV sector and its contribution to the broader goals of the PLI scheme. The firm's efforts not only highlight advancements in sustainable transportation but also showcase the potential for Indian companies to excel in the burgeoning global EV market. In September 2021, the Union Cabinet approved the Production Linked Incentive (PLI) Scheme for the automobile and auto components industry, with a total budgetary outlay of ₹25,938 crore. The scheme was designed to overcome domestic cost disadvantages and boost the manufacturing of Advanced Automotive Technology (AAT) products, including electric vehicles and key components, by rewarding incremental sales achieved over a defined performance period. Incentives were linked to eligible sales, minimum localisation thresholds, and fresh investments in the automotive value chain, with disbursements scheduled over several years.

Ola Electric applied under the PLI Auto scheme as an AAT vehicle manufacturer, seeking to align its localisation strategy with the incentives on offer. To qualify, the company had to demonstrate a minimum level of domestic value addition and comply with technical and certification requirements laid down by the Ministry of Heavy Industries. Ola Electric reported that it had met at least 50% of the localisation criteria, and the Automotive Research Association of India (ARAI) certified four of its products as compliant under the scheme, making it the only EV manufacturer at that time with PLI approval across four models. In December 2025, the government sanctioned an incentive of about ₹366.78 crore for Ola Electric under the PLI Auto scheme for its performance in FY 2024–25. The sanction related to the “Demand Incentive” on the determined sales value for that year and authorised IFCI Limited, the designated financial institution for the scheme, to release the funds to the company in accordance with the applicable PLI guidelines. As the EV market in India continued to grow and new competitors scaled up their investments, Ola Electric's leadership now needed to decide how to deploy this incentive—whether to double down on localisation, expand manufacturing capacity, invest in next-generation battery technology, or support pricing and marketing moves to defend and grow its position in the crowded electric two-wheeler segment.

As Bhavish Aggarwal reflected on Ola Electric's journey from a ride-hailing spin-off to a leading electric two-wheeler manufacturer, the sanction of approximately ₹366.78 crore under the PLI Auto scheme sharpened several strategic questions for him and his leadership team. The company had pursued the PLI route to align with national priorities on localisation and advanced automotive technology, reduce dependence on imported components, and secure a significant, performance-linked source of non-dilutive funding to support its growth plans. Yet the incentive also raised expectations: regulators, policymakers, investors, and the public would judge whether Ola Electric used this support to deepen its capabilities and deliver on the promise of sustainable entrepreneurship in line with Aatmanirbhar Bharat.

5. OPTIONS FOR OLA ELECTRIC: THE PLI ALLOCATION :

Ola Electric reported that it had met at least 50% of the localisation criteria, and the Automotive Research Association of India (ARAI) certified four of its products as compliant under the scheme, making it the only EV manufacturer at that time with PLI approval across four models. Ola Electric applied under the PLI Auto scheme as an AAT vehicle manufacturer, seeking to align its localisation strategy with the incentives on offer and sanctioned by the Ministry of Heavy Industries. The incentive Disbursement to Ola Electric Technologies is Rs 366.78 crore and incentives ranging from 13% to 18% determined sales value (DSV) until 2028.

Table 3: Possibilities of PLI Auto Scheme Utilisation

Options for the utilisation of PLI Incentives	Utilisation areas by Ola Electric
The First option	To allocate a substantial portion of the incentive toward deeper localisation of critical components—such as battery packs, motors, and power electronics—to strengthen eligibility for future PLI tranches, reduce exposure to currency and supply-chain risks, and reinforce the

	company's positioning as a "Make in India" champion under the Aatmanirbhar Bharat agenda.
A second option	To focus on capacity expansion in vehicle assembly and cell or pack manufacturing, betting that scale would allow Ola Electric to capture share as EV penetration increased, even if short-term margins remained under pressure.
Third Option	To prioritise product and technology investments—such as next-generation battery chemistry, indigenous motor technology, and software features—to differentiate Ola's offerings in a market where rivals like established automakers and well-funded start-ups were launching competing models and experimenting with new ownership models.

Source: Author

An aggressive reinvestment strategy had to be weighed against market sentiment and balance-sheet constraints. Following the PLI announcement, investors and analysts scrutinised Ola Electric's share price movements, debating whether the incentive would translate into sustainable cash flows or simply subsidise near-term volume growth in a segment vulnerable to policy shifts and consumer price sensitivity. Deploying a portion of the incentive to shore up liquidity, invest in charging partnerships, or support tactical pricing and marketing campaigns could help stabilise market confidence, but might dilute the long-term strategic impact of the funds.

The sanction of the PLI incentive came at a moment when capital requirements for further growth remained high. To maintain its trajectory, Ola Electric needed to fund capacity additions, invest in product and technology upgrades, and potentially expand into adjacent segments or geographies, while managing working capital and safeguarding its balance sheet. At the same time, investors and analysts were watching how the company's financial metrics, including margins, cash flows, and share-price performance, would respond to a combination of policy support, competitive pressure, and execution risk.

6. DISCUSSION :

- (1) What were the core reasons for Ola Electric applying for the PLI Auto Scheme?
- (2) To know the leadership initiative by the Ola Electric Co- Founder
- (3) Comment upon the Sustainable Leaders. Hip for Aatmanirbhar Bharat(self-reliance) Indian Economy.
- (4) How does the PLI auto Scheme impact the share price of Ola Electric in BSE and NSE?
- (5) Was the right decision to apply the Production Linked Incentive (PLI)-Auto scheme by the start-up company?
- (6) Comment upon the Make in India driving innovation in the EV segment.
- (7) The role of Sustainable entrepreneurs in manufacturing capabilities and their focus on developing electric vehicle technology in India.
- (8) How has Ola Electric raised funds for its growth and product design?

7. CONCLUSION :

The allocation choices for the ₹366.78 crore PLI incentive must be grounded in a clear understanding of Ola Electric's current performance and the broader EV market landscape. A thorough analysis of operational efficiency, market demand, and competitive positioning in the electric vehicle sector is essential. This assessment will inform strategic decisions regarding investments in technology, infrastructure, and talent development. Ola Electric should consider diversifying its product offerings to meet varying customer needs while leveraging advancements in battery technology and manufacturing processes to enhance sustainability, aligning with the vision of Aatmanirbhar Bharat. Strengthening collaboration with research institutions and other industry players will also drive innovation and create synergies that bolster growth. As the EV landscape continues to evolve, maintaining agility and responsiveness to market trends will be crucial for long-term success. The PLI Auto Scheme can enhance Ola Electric's position as a leader in the electric vehicle market while

contributing to broader goals of sustainable entrepreneurship, promoting the UN Sustainable Development Goals, and fostering self-reliance in the Indian economy.

Exhibits: Ola Electric and the Indian EV Market:

Exhibit 1: EV Sales in India by Category, FY21–FY25 (in millions of units)

Fiscal year	Electric two-wheelers (E-2W)	Electric three-wheelers (E-3W)	Passenger EVs (E-4W)	Electric buses	Total EV registrations
2021	1.433	0.071	0.117	0.012	1.633
2022	6.315	3.527	0.382	0.026	10.250
2023	8.594	5.828	0.821	0.057	15.300
2024	9.500	6.340	0.846	0.021	16.700
2025	11.500	7.000	1.000	0.031	19.600

Exhibit 1 shows the rapid growth of EV registrations in India across two-wheelers, three-wheelers, passenger vehicles, and buses between FY21 and FY25, highlighting the increasing scale and changing composition of the market in which Ola Electric competes.

Source: Compiled from India Brand Equity Foundation, “Electric Vehicle – August 2025,” and related government and industry data.

Exhibit 2: Composition of EV Sales in India, FY25

Category	Share of EV sales, FY25
Electric two-wheelers (E-2W)	59%
Electric three-wheelers (E-3W)	36%
Passenger EVs (E-4W)	5%

Exhibit 2 summarises the share of EV sales by category in FY25, underlining the dominance of electric two-wheelers and three-wheelers and the relatively small but growing share of passenger EVs.
Source: India Brand Equity Foundation, “Electric Vehicle – August 2025.”

Exhibit 3: Selected EV Policies and Schemes in India

Scheme/policy	Period/budget (approx.)	Primary focus
FAME II	Launched 2019; ~₹11,500 crore	EV purchase incentives, e-buses, and charging infrastructure
Electric Mobility Promotion Scheme 2024	Apr–Sep 2024; ~₹778 crore	Incentives for advanced-battery E-2W and E-3W
PM E-DRIVE	Oct 2024–Mar 2026; ~₹10,900 crore	EV adoption, public charging network, domestic manufacturing

Scheme/policy	Period/budget (approx.)	Primary focus
PLI Auto Scheme	FY22–FY27; ~₹25,938 crore	Advanced automotive technology (AAT) and localisation

Exhibit 3 outlines key national schemes supporting EV adoption and manufacturing, including FAME II, the Electric Mobility Promotion Scheme 2024, PM E-DRIVE, and the PLI Auto Scheme, which together shape the policy context for Ola Electric. line:

Source: India Brand Equity Foundation, “Electric Vehicle – August 2025,” and Government of India scheme notifications and press releases.

Exhibit 4: Ola Electric Deliveries and Localisation Milestones

Item	FY24 / status	FY25 / status
Electric two-wheeler deliveries (units)	329,549	359,221
Localisation threshold achieved (minimum)	In progress	≥ 50% localisation criteria met
PLI Auto certification (number of products)	Under application/testing	4 products certified by ARAI
PLI Auto incentive sanctioned (₹ crore)	–	366.78 (sanctioned for FY24–25)

Exhibit 4 presents Ola Electric’s recent delivery volumes, progress on localisation and PLI Auto certification, and the sanction of the ₹366.78 crore incentive, providing the company-specific metrics underpinning the PLI allocation decision.

Source: Company disclosures and public news reports on Ola Electric’s PLI Auto incentive sanction.

Exhibit 5: Incentive Disbursement to EV Industry under PLI Auto Scheme for – FY 2025-26

Industry	FY 2025-26 (in Crore0)
Bajaj Auto	625.65
Tata Motors	403.18
Ola Electric Technologies	366.78
TVS Motor Company	320.51
M&M	283.82

Source: Auto Car Professional

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