

20 Applicants have been approved under “Champion OEM Incentive Scheme” of the Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India

The Scheme has been a huge success in terms of overwhelming response received with a proposed investment of 45,016 cr from approved applicants

Incentive upto 18%, to encourage industry to make fresh investments in indigenous supply chain of Advanced Automotive Technology (AAT) products of PLI Scheme for Automotive Sector.

PLI scheme for Automobile and auto components (. 25,938 cr) and PLI for ACC (. 18,100 cr) alongwith FAME Scheme (10,000 cr)to enable India to leapfrog to environmentally cleaner, sustainable, advanced and more efficient Electric Vehicles (EV)based system

Major boost to Hon’ble Prime Minister Narendra Modi’s Make in India and AtmaNirbharBharat Abhiyan

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Automobile and Auto Component Industry in India which was notified on 23 September 2021. The scheme was open for receiving applications till 23:59:59 hours IST on 9 January 2022. Incentives are applicable under the scheme for determined sales of Advanced Automotive Technology (AAT) products (vehicles and components) manufactured in India from 1 April 2022 onwards for a period of 5 consecutive years.

The Government approved the Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry in India for Enhancing India's Manufacturing Capabilities for Advanced Automotive Products (AAT) with a budgetary outlay of ₹25,938 crore. The Production Linked Incentive (PLI) Scheme for Automobile and Auto component industry proposes financial incentives to boost domestic manufacturing of Advanced Automotive Technology (AAT) products and attract investments in the automotive manufacturing value chain. Its prime objectives include overcoming cost disabilities, creating economies of scale and building a robust supply chain in areas of AAT products. It will also generate employment. This scheme will facilitate the Automobile Industry to move up the value chain into higher value-added products.

MHI has processed the applications received under Champion OEM Incentive scheme and **20** applicants (along with their 12 subsidiaries) have been approved under this category of the scheme. Applications for Component Champion Incentive scheme are being processed separately.

Following is the list of applications approved under Champion OEM Incentive scheme:

Champion OEM (Except 2W & 3W)

SI No	Applicant Name
1	Ashok Leyland Limited
2	Eicher Motors Limited
3	Ford India Private Limited
4	Hyundai Motor India Limited
5	Kia India Private Limited
6	Mahindra & Mahindra Ltd.
7	PCA Automobiles India Private Limited
8	Pinnacle Mobility Solutions Private Limited
9	Suzuki Motor Gujarat Private Limited
10	Tata Motors Limited

Champion OEM 2W & 3W

SI No	Applicant Name
1	Bajaj Auto Limited
2	Hero MotoCorp Ltd.
3	Piaggio Vehicles Private Limited
4	TVS Motor Company Limited

New Non-Automotive Investor (OEM)

SI No	Applicant Name
1	Axis Clean Mobility Private Limited
2	Booma Innovative Transport Solutions Private Limited
3	Elest Private Limited
4	Hop Electric Manufacturing Private Limited
5	Ola Electric Technologies Private Limited
6	Powerhaul Vehicle Private Limited

The PLI Scheme for auto sector was open to existing automotive companies as well as new investors who are currently not in automobile or auto component manufacturing business. The scheme has two components viz Champion OEM Incentive Scheme and Component Champion Incentive Scheme. The Champion OEM Incentive scheme is a 'sales value linked' scheme, applicable on Battery Electric Vehicles and Hydrogen Fuel Cell Vehicles of all segments. The Component Champion Incentive scheme is a 'sales value linked' scheme, applicable on Advanced Automotive Technology components of vehicles, Completely Knocked Down (CKD)/ Semi Knocked Down (SKD) kits, Vehicle aggregates of 2-Wheelers, 3-Wheelers, passenger vehicles, commercial vehicles and tractors, etc.

This PLI Scheme for automotive sector (₹25,938 crore) alongwith the already launched PLI scheme for Advanced Chemistry Cell (ACC) (₹18,100 crore) and Faster Adaption of Manufacturing of Electric Vehicles(FAME) (₹10,000 crore) will enable India to leapfrog from traditional fossil fuel based automobile transportation system to environmentally cleaner, sustainable, advanced and more efficient Electric Vehicles (EV) based system.

The PLI scheme for Automobile and Auto Component Industry has been a huge success in terms of the applications received from local as well as globally headquartered groups engaged in/ proposing to manufacture Advanced Automotive Technology vehicles/ products. Apart from Indian business groups, approved applicants for Champion OEM Incentive scheme include groups from countries such as Republic of Korea, USA, Japan, France, Italy, UK and Netherlands.

The overwhelming response shows that Industry has reposed its faith in India's stellar progress as a world class manufacturing destination which resonates strongly with Hon'ble Prime Minister's clarion call of AtmaNirbharBharat - a self-reliant India.

DJN/AM/ TFK

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