

**Frequently Asked Questions-IV (FAQs-IV)**  
**For PLI Scheme for Automobile and Auto Component Industry**  
**(PLI-AUTO or ‘the Scheme’)**

**Dated: 2nd November, 2022**

**1. Answer to Question Number-1 of FAQ III dated 11.05.2022 is amended as below:**

**(i) Advanced Chemistry Cell (ACC):**

“Certification of Minimum 50% Domestic Value Addition (DVA) by Testing Agency (TA) based on Invoiced/Costed Bill of Material (BOM) by excluding Cell Price (required for assembly of Battery Power Pack) on actual cost basis or upto a maximum of 25% of the price of the Battery Electric Vehicles (Ex-factory) and for the period co-terminus with setting up of manufacturing facilities of ACC under the PLI ACC scheme in India”.

**(ii) Semiconductors parts (Low Power IC, High Power IC and Microcontrollers):**

“Certification of Minimum 50% Domestic Value Addition (DVA) by Testing Agency (TA) based on Invoiced/Costed Bill of Material (BOM) by excluding Critical Semiconductor Parts (Microcontroller, High Power IC and Low Power IC) on actual cost basis or upto a maximum of **X** % of the Ex-factory Price of the Auto Electronics (AE) AAT Component and for the period co-terminus with production of Semiconductors in India under the PLI Semiconductor scheme of MeitY or otherwise. The applicants seeking to take benefits are required to submit their plan for Capability Enhancement to achieve deep localization during the scheme period for Technology oriented child parts of the AAT Product and achieve the targets as per their plan.

Where,

***X = 30% for first three years of the Scheme period i.e FY 2022-23, 2023-24 and 2024-25***

**and**

***X = 20% for last two years of the scheme period i.e. FY 2025-26 and 2026-27.”***

**(iii) Rare Earth Magnet (REM):**

“Certification of Minimum 50% Domestic Value Addition (DVA) by Testing Agency (TA) based on Invoiced/Costed Bill of Material (BOM) by excluding Rare Earth Magnet (REM) as follows for the period till production of REM in India.

1. 15% of the ex-factory price of the Traction Motor and Wheel Rim integrated with Hub Motor (related AAT Components) or actual cost whichever is lower.
2. 7.5% of the ex-factory price of the E-axle and E-differential assembly (related AAT Components) or actual cost whichever is lower.”

**The approved applicant will submit the Domestic Value Addition certificate duly cost audited by External Auditor (Cost or Chartered Accountant) and self-certified by the authorized representative of the approved applicant through PLI Auto Portal.**