

# Automated mechanism to capture value addition by applicants in auto sector PLI

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The Ministry of Heavy Industries on Thursday launched an automated mechanism for capturing data related to domestic value addition by approved applicants under the Production Linked Incentive (PLI) scheme for the automotive sector.

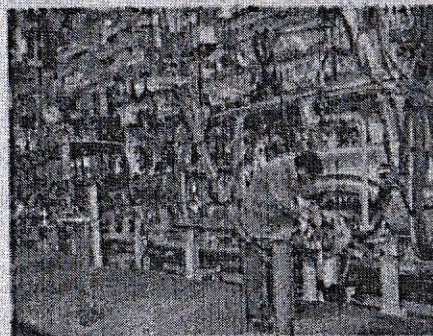
The PLI-Auto scheme proposes financial incentives to boost domestic manufacturing of Advanced Automotive Technology (AAT) products and attract investments in the automotive manufacturing value chain. The government has launched the Automobile and Auto Component Industry in India (PLI-Auto) scheme with a budgetary outlay of ₹25,938 crore.

Pre-approved eligible products with minimum 50 per cent domestic value addition will be eligible for incentives under the scheme. According to an official statement, the automated mechanism will enable online transfer of domestic value addition data from the PLI applicant's ERP (Enterprise Resource Planning) system to PLI Auto Portal. All approved applicants of the PLI scheme have their own ERP system.

## Smooth transfer of data

"The IT-enabled system has been devised to enable smooth transfer of data from applicant's existing ERP system to PLI Auto portal of MHI in safe environment," the statement said.

The Application Program-



ming Interface (API) will get embedded with ERP system of the applicant and will enable automaticity and paperless processing in this scheme. In the normal circumstance, the applicants would have been required to file voluminous claims, it added.

## In consultation with OEMs

The ministry also said the system will reduce compliance burden on the part of the applicants on the one hand and

will enable faster processing of claim on the other hand. The system has been devised after consultations with leading Original Equipment Manufacturers (OEMs) and auto component manufacturing companies.

Heavy Industries Minister Mahendra Nath Pandey said these processes are important steps in enabling transparency, ease of doing business, faceless and self certification-based assessment and paperless delivery.

The scheme has attracted proposed investment of ₹67,690 crore against the target estimate of investment ₹42,500 crore over a period of five years. It is expected to help in incremental production of AAT products of over ₹2.3-lakh crore.