

Govt Opens Portal for SPMPCI Scheme

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Why in news?

The Government of India has opened an online portal for global and Indian automakers to apply under a new Electric Car Manufacturing Scheme.

- **Portal** - It is launched to register electric passenger car manufacturers to avail newly launched Scheme to Promote Manufacturing of Electric Passenger Cars in India (SPMPCI).
- **Scheme to Promote Manufacturing of Electric Passenger Cars in India (SPMPCI)** - It is the scheme launched to boost EV production, reducing import costs, and promoting Make in India.
- **Launched by** - Ministry of Heavy Industries, Government of India
- **Objectives** - To attract global and domestic investment in the manufacturing of electric passenger cars in India.
 - To reduce dependency on imports by promoting Make in India.
 - To boost EV adoption and eco-friendly mobility.
- **Key Features of SPMPCI:**
 - **Import duty benefit** - Automakers can import up to 8,000 electric cars per year at a reduced import duty of 15%, compared to the existing 70-100% duty.
 - This benefit applies only to companies committing to invest in local manufacturing.
 - **Minimum investment requirement** - At least ₹4,150 crore must be invested by eligible companies in setting up manufacturing facilities in India.
 - **Domestic Value Addition (DVA)** - 25% DVA within 3 years (25% of parts and components made in India) and 50% DVA within 5 years.
 - **Timeline for operations** - Companies must set up manufacturing units and commence production within 3 years of approval.
 - **Bank guarantee** - Bank guarantee equivalent to either the total duty benefit or ₹4,150 crore, whichever is higher, must be provided.
 - **Eligibility criteria** - Global automotive group revenue of at least ₹10,000 crore.
 - Global investment in fixed assets of at least ₹3,000 crore, as per latest audited statements.
 - Restrictions on investment by companies from land-border sharing countries like China and Pakistan remain in place.
 - **Charging infrastructure** - Investment in charging infrastructure allowed up to 5% of committed investment.
 - Investment in factory buildings allowed up to 10% of committed investment (excluding land).
 - Expenditure on land purchase is not counted under eligible investment.

Reference

[The Hindu| Govt Opens Portal for Auto-Makers](#)

