



# **ACC Battery Manufacturing**

## **Production Linked Incentive (PLI) Scheme**

## Who we are?



- ✓ We are the consulting firm founded by the seasoned professionals having experience of working with various Big 4 and other top consulting practices.
- ✓ Our object is to provide end-to-end services using our practical insights for the real life problems.
- ✓ Our experts have experience providing services to clients as small as a start-up to Fortune 1000 companies.
- ✓ We are popular amongst our clients in providing specialised services in a comprehensive manner with little involvement of the client's team.
- ✓ Our end to end solutions ensures that we are taking care of the complete assignment and we believe to provide services considering overall business requirements.
- ✓ Our dedicated staff and single point of contact ensures satisfied clients.

# Why choose us?

We are ideally placed to provide services that not just meet your expectations but create a new standards of quality.

Ability to scale as your business needs evolve.

Strong track record of delivering value and exceptional service.

We have experience in relevant industry.

Commitment to investment in our professional relationship.

Our team will deliver a quality service and provide the experience to address your needs.

**50+** Satisfied clients

**4+** Locations & growing

**20K+** Hours consulted

# OUR ADVANTAGE



People



Approach



Technology



## Our Service Offerings



### Accounting & Assurance

- Assurance services
- Group Reporting
- IFRS conversion
- GAAP Support
- SAP advisory
- Payroll Support



### Tax & Regulatory

- Direct Tax
- Transfer Pricing
- GST
- Customs & foreign trade
- International tax
- Government Advisory and Regulatory Support



### Transaction Advisory

- Mergers & Acquisition
- Restructuring
- Profit Repatriation
- Valuation
- Fund Raising
- Listing and other support



### Risk Advisory

- Internal Audits
- Special Audits
- Process Review
- Quality Assurance
- Forensic Audits
- Special purpose audits

## Our presence in Automotive Sector

### Auto OEMs



Undertaking quality audits of dealerships



Undertaking quality audits of dealerships



Assistance in financial modelling for new businesses division

### Auto Components



Tax compliance and advisory



Tax compliance and advisory



Payroll advisory pursuant to introduction of the new Labour Code



## Production Linked Incentive (PLI) Scheme – A Background

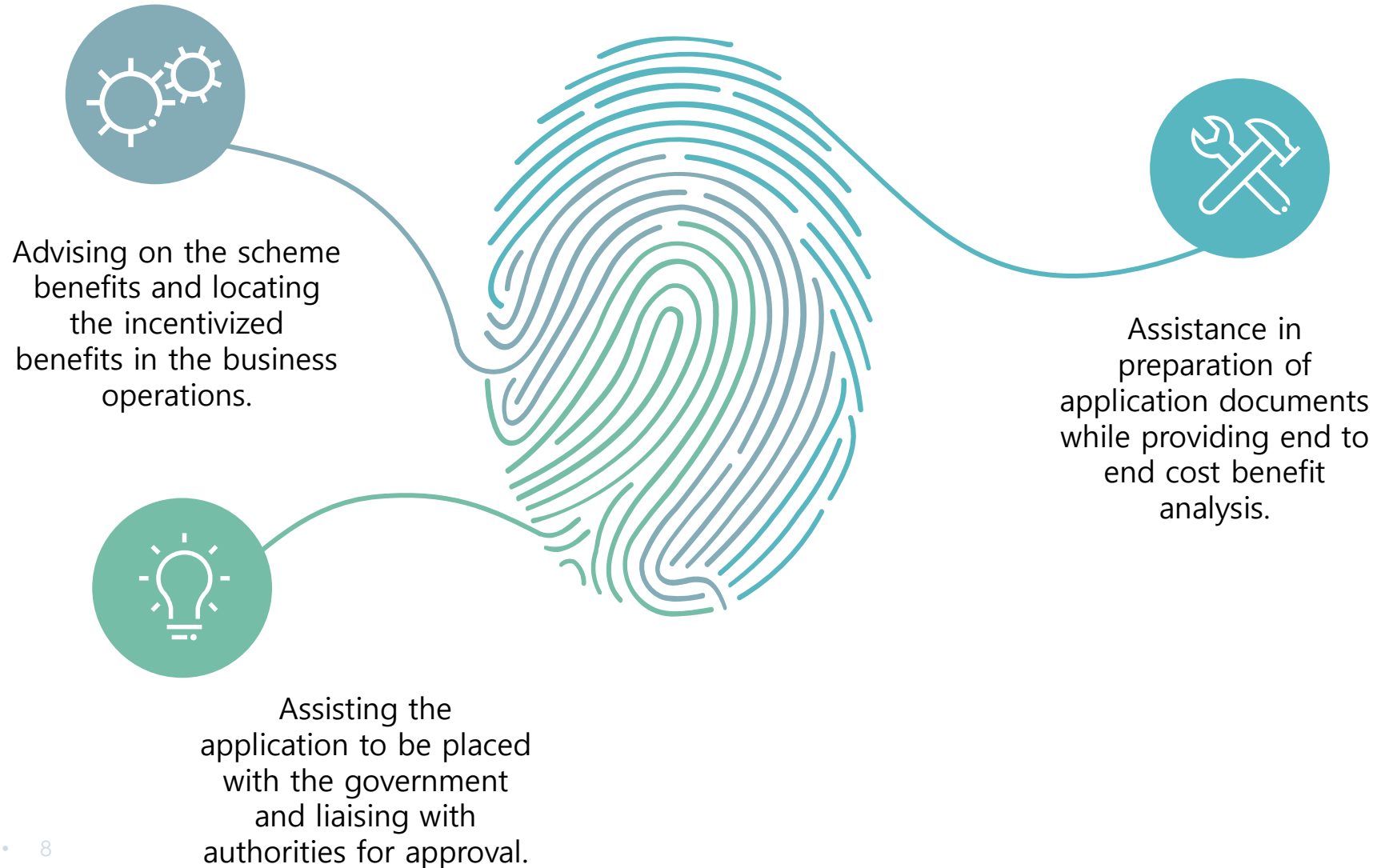
- In order to boost domestic manufacturing and cut down on import bills, the central government in March 2020 introduced a scheme that aims to give companies incentives on incremental sales from products manufactured in domestic units.
- Apart from inviting foreign companies to set shop in India, the scheme also aims to encourage local companies to set up or expand existing manufacturing units.
- The Production Linked Incentive (PLI) Scheme intends to promote manufacture of Telecom and Networking Products in India and proposes a financial incentive to boost domestic manufacturing and attract investments in the target segments of telecom and networking products in order to encourage Make in India. The scheme will also encourage exports of telecom and networking products 'Made in India'.
- Central government introduced the PLI scheme for mobile manufacturing as well as pharmaceutical ingredients and medical devices. While the scheme for mobile and allied equipment was notified on April 1, 2020 the guidelines for the latter were notified on July 1, 2020.
- The PLI schemes will have a huge role to play in achieving size and scale in manufacturing, as these schemes incentivize incremental production. The total budgetary outlay for these schemes is Rs. 1.96 lakh crores or \$26 billion. On average 5% of the production value is provided as an incentive. This implies that the minimum production in the country as a result of the PLI schemes stands to be around \$520 billion in five years.

## Key Sectors - Implementation of PLI Scheme

The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi has given its approval to introduce the Production-Linked Incentive (PLI) Scheme in the following key sectors for Enhancing India's Manufacturing Capabilities and Enhancing Exports – 'Atmanirbhar Bharat'.

Sectors	Implementing Ministry / Department	Approved financial outlay over 5 Yr Period (In Cr.)
Automobiles & Auto Components	Department of Heavy Industries	57,042
Pharmaceuticals and Pharmaceuticals drugs	Department of Pharmaceuticals	15,000
Advance Chemistry Cell Battery	NITI Aayog and Department of Heavy Industries	18,100
Telecom & Networking Products	Department of Telecom	12,195
Food Products	Ministry of Food Processing Industries	10,900
Textile Products: MMF segment and technical textiles	Ministry of Textiles	10,683
Speciality Steel	Ministry of Steel	6,322
White Goods (ACs & LED)	Department for Promotion of Industry and Internal Trade	6,238
Electronic/Technology Products	Ministry of Electronics and Information Technology	5,000
High Efficiency Solar PV Modules	Ministry of New and Renewable Energy	4,500

# Our Offerings for PLI





## ACC Battery PLI Scheme - Decoded

ACC Batteries are defined in the scheme as batteries which cover minimum performance standards:

ACCs		Energy Density (Wh/Kg) ~ (Specific Density)				
		≥ 50	≥ 125	≥ 200	≥ 275	≥ 350
Cycle Life	<1000	N.A	N.A	N.A	N.A	ACC (1/5)
	≥ 1000				ACC (2/4)	ACC (2/5)
	≥ 2000			ACC (3/3)	ACC (3/4)	ACC (3/5)
	≥ 4000			ACC (4/2)	ACC (4/3)	ACC (4/4)
	≥ 10000	ACC (5/1)	ACC (5/2)	ACC (5/3)	ACC (5/4)	ACC (5/5)

- The incentive would be in the form of Cash Subsidy that shall be disbursed on the basis of overall value-addition on per Kilo Watt hour (“KWh”) basis. For the ACC manufacturing capacity, the total annual cash subsidy to be disbursed by the Government shall be capped at 20 GWh per beneficiary firm with cumulative capacity capped at 50 GWh under the said Programme.
- In addition for the “Niche” ACC manufacturing capacity the total annual cash subsidy to be disbursed by the Government shall be capped at 5GWh.
- The applicant shall submit its bid for the base-subsidy, which would be available on pro-rata basis upto 100% domestic value capture and for manufacturing of ACCs

## ACC Battery PLI Scheme - Decoded

### Eligibility

- Commit to set-up an ACC manufacturing facility of minimum five (5) GWh capacity and ensure a minimum 60% domestic value addition at the Project level within 5 years
- Achieving a domestic value addition of at-least 25% and incur the mandatory investment (₹ 225 crore /GWh) within 2 Years (at the Mother Unit Level) and raise it to 60% domestic value addition within 5 Years, either at Mother Unit, in-case of an Integrated Unit, or at the Project Level, in-case of “Hub & Spoke” structure
- An INR 2000 per KWh is considered to be the base-cash subsidy (benchmark amount) for ACCs
- Estimated Incentive value table:-

INR Per KWh		Energy Density (Wh/Kg)				
		≥ 50	≥ 125	≥ 200	≥ 275	≥ 350
Cycle Life	≥ 1000	N.A	N.A	N.A	2000	2400
	≥ 2000	N.A	N.A	2000	2400	2880
	≥ 4000	N.A	2000	2400	2880	3456
	≥ 10000	2000	2400	2880	3456	4147

- The Incentive will be based on the bids received. The selection criteria is 80:20 (technical: financial)
- There is a separate bid scoring mechanism for evaluation of the bids

# Meet your expert



**Abhishek Goel**

## Professional Associations

- Institute of Chartered Accountants of India
- Institute of Company Secretaries of India
- ISACA
- ACFE

## Areas of Expertise

- Tax & Regulatory
- Deal advisory & valuation
- Audit & assurance
- Risk Advisory

**Abhishek** is a Chartered Accountant, Company Secretary and holds graduate degree from University of Delhi.

Abhishek has over 8 years of experience in handling Tax and Regulatory matters with EY, Deloitte and BDO. He has extensive experience dealing with various cross border issues including Regulatory support, International Taxation, Transfer Pricing, and Exchange Regulations.

Abhishek is actively involved with various MNC's and startups right from incorporation to raising rounds of funding.

Some of his select engagements include:-

- Overseeing the compliance and finance operations of various MNC's and startups.
- Handling day-to-day tax related activities of Multinational clients which includes day-to-day advisory with respect to withholding tax, filing of various forms and finalizing the income tax and withholding tax computations.
- Advising clients on various international tax issues such as exposure to permanent establishment, place of effective management, advisory with respect to cross border transactions, etc.
- Handling Transfer Pricing compliance as well advisory of the Multinational Groups including preparation of transfer pricing reports as well as group transfer pricing study.
- Assisting clients in various regulatory and secretarial compliances which includes filing of various forms with MCA/ RBI such as FLA return, FC-GPR, etc.
- Assisting clients in handling litigation and representing before government agencies authorities including Tax authorities, Central and state ministries, and other semi government bodies. .

# Meet your expert



**Raj Abhishek Sharma**

## **Professional Associations**

- Institute of Chartered Accountants of India

## **Areas of Expertise**

- Indirect tax and Foreign Trade
- Due diligence and transaction advisory
- Cross border transaction advisory
- Startup funding and advisory
- Inbound Investment advisory

**Raj Abhishek** is a Chartered Accountant and graduate in commerce from Delhi University.

He has spent more than 5 years working with BDO India LLP, K.G Somani & Co., KGS Advisors LLP as head of Tax & Regulatory department, including his internship from T.R. Chadha & Co. working in special audits department dealing in forensic audits and due diligence.

Has diverse experience in independently dealing of complex regulatory issues as well as liaising with Government and other regulatory authorities.

Some of his select engagements include:-

Handling core advisory and compliance for GST, Customs and Foreign trade policy.

Conducting due diligence of various companies in India and Ethiopia and opining on the acquisitions, takeovers and complex tax matters.

Handling audits on behalf of banks conducting concurrent audits and lender financial audits and also being appointed as specialized monitoring agencies by consortiums or lead banks.

Liaising with government agencies for various incentives under Central and state industrial policy and has experience of handling assignments for benefit value upto INR 100 crores.

Assisting clients in their day to day compliance manual and advising on their financing activities to help streamline their financial management.



Reach out to us:

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