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Ref.No.MAIT/PY/2315

October 05, 2023

Shri Surjit Bhujbal, IRS Member - Customs Ministry of Finance

Sub: Request for BCD Exemption on the Inputs and capital goods Imported for Domestic Manufacture of Primary Cells/Battery/Battery Pack used in EV & Energy Storage Systems

Ref: Representation to Shri Vivek Johri, Chairman-CBIC, Ministry of Finance w.r.t. Primary Cells, Battery, Battery Pack, etc. dated 25<sup>th</sup> August 2022

Respected Sir,

## **Greetings from MAIT!**

At the outset, MAIT would like to take this opportunity to thank CBIC for its continued support to the Indian industry. We deeply appreciate Govt's initiative to extend the BCD under Notification 25/2002 to EV sector. This move will strengthen the Atmanirbhar Bharat by promoting manufacturing of Lithium-ion cells for EV.

While the industry is committed to promoting Atmanirbhar Bharat and Green Energy, there are some hindrances which need to be addressed to realize the potential of achieving local manufacturing specially in EV sector.

With this background, we take this opportunity to address the concerns relating to the **serial number 69 of Notification 25/2002**, which does not cover many machines such as Can Insertion Machine, Welding Machines, sorting machines, etc. that are used in the manufacture of Lithium-ion cells/battery.

The serial number 69 of the Notification 25/2002 only covers about 40-50% of the capital goods/machines to be imported for the manufacture of Lithium-ion cells.

We therefore, request you to consider amending the serial number 69 of Notification No.25/2002 as "Capital Goods and machinery for the manufacture of Lithium Ion Cells"

Alternatively, the following machines be added to the list of machines in serial number 69 of Customs Notification 25/2002:

- 1. Cap Welding Machines
- 2. Automatic Bottom Welding Machine
- 3. Sleeving Machine
- 4. Automatic Can Inserting Machine
- 5. X Ray machine
- 6. Ink jet printing machine/ Scanner
- 7. Conveyor
- 8. Jelly Roll Tray Conveyor
- 9. Cleaning and Oil Greasing Machine
- 10. Beading and Grooving Machine

- 11. Sorting Machine
- 12. Capacity Grading Machine
- 13. Cell Crimping Machine with short circuit test, cathode and anode current collector plate welding or Cell Crimping Machine
- 14. Parts and Accessories for the above machines

Additionally, industry requests your good office to consider:

- 1. Waiver from furnishing of surety for IGCR Bond for the import of these machines
- 2. to exempt from the requirements of BIS and EPR for the import of these machines
- 3. this exemption to be extended for next 5 years

We urge you to consider our request and grant BCD exemption on inputs and capital goods imported for the domestic manufacture of primary cells / battery / battery pack used in EV & energy storage systems.

Thank you for your time and consideration.

Warm regards,

Col Suhail Zaidi (Retd) Director General

CC: Shri Anupam Prakash, IRS, Jt. Secretary-Customs, Ministry of Finance