

For Immediate release

15th January 2022

India Energy Storage Alliance (IESA) congratulates the bidders of National Programme for Advance Chemistry Cell Battery Manufacturing under the Production-Linked Incentive (PLI) scheme

- The Production-Linked Incentive (PLI) scheme envisages setting up a cumulative manufacturing capacity of 50 GWh for Advanced Chemistry Cell (ACC) and an additional cumulative capacity of 5 GWh for niche ACC technologies
- A total of 10 bids with capacity ~ 130 Gwh received under the Production Linked Incentive (PLI) Scheme for Advanced Chemistry Cell (ACC) Battery Storage
- IESA member companies Amara Raja, Exide, L&T, Lucas TVS and Ola Electric among the bidders for the manufacturing programme
- To make India a global hub for manufacturing of advanced chemistry cell battery manufacturing and R&D, IESA launched its new initiative the India Battery Supply Chain Council (IBSCC) last year

Pune, India: Marking a new beginning of India's energy storage market, India Energy Storage Alliance (IESA) India's leading industry alliance on energy storage, e-mobility and hydrogen congratulates the bidders under National Programme for Advance Chemistry Cell Battery Manufacturing programme. A total of 10 bids with capacity ~ 130 Gwh received under the Production Linked Incentive (PLI) Scheme for Advanced Chemistry Cell (ACC) Battery Storage for which Request for Proposal (RFP) was released by Ministry of Heavy Industries (MHI) on 22nd October 2021. IESA member companies Amara Raja, Exide, L&T, Lucas TVS and Ola Electric among 10 firms looking to set up giga factories in India.

The Union Cabinet in May 2021 approved the PLI scheme on ACC battery storage with an outlay of INR 18,100 crore to make India 'Aatmanirbhar' (self-reliant) in the manufacturing of advanced storage technologies. The PLI scheme designed by NITI Aayog and managed by the Department of Heavy Industry (DHI) aims at achieving a manufacturing capacity of 50GWh of ACC and 5 GWh of "Niche" ACC in India by 2027. The manufacturing facility would have to be set up within a period of two years. The incentive will be disbursed thereafter over a period of five years on sale of batteries manufactured in India. The program is designed in such a manner that it is technology agnostic. The beneficiary firm shall be free to choose suitable advanced technology and the corresponding plant & machinery, raw material, and other intermediate goods for setting up cell manufacturing facility to cater to any application.

Congratulating the bidders of the bid, **Dr Rahul Walawalkar, Founder & President, India Energy Storage Alliance (IESA)** said, *"This is great news and a major milestone for the Indian energy storage and emobility industry. We are thankful to NITI Aayog and DHI team for believing in the vision and dedicated work of IESA over the past five years and taking it to the conclusion."*

"In 2016, IESA set a vision to make India a global hub for advanced energy storage and emobility technologies by 2022. Last year, we have upgraded the vision to build on the ACC PLI with a roadmap for 50+ GWh ACC manufacturing capacity by 2027 and scaling it to 100+ GWh of capacity by 2030. IESA is committed to support the building of a complete supply chain ecosystem for making India a global hub for R&D and manufacturing of advanced energy storage technologies," he added.

"Industry is grateful for the thought leadership of Shri. Amitabh Kant and entire NITI Aayog and DHI leadership team including Shri. Arun Goyal, Shri. Sudhendu Sinha and Shri. R P Gupta. Also, we would like to acknowledge contributions of core team of Sujit Jena, Randheer Singh and Aman Hans, who

worked tirelessly over past two years to gather inputs from all interested stakeholders and developed the ACC PLI scheme.

IESA was anticipating 2-3 bids of 15-20GWh, 3 bids of 10+ GWh, and another 3-4 bids of 5-10 GWh totaling 100 GWh+ capacity to be bid in the ACC PLI. IESA estimates the annual demand for ACC batteries to grow from under 10 GWh currently to over 50 GWh by 2025 and over 150 GWh by 2030. Thus, we believe that the ACC PLI will be seen as the foundation stone on which India builds a global hub for R&D and manufacturing of advanced energy storage technologies.

“ACC PLI program also will kick start investments in the supply chain as the program has a mandate of minimum 60% domestic value addition for receiving the government incentive,” said **Debi Prasad Dash, Executive Director, India Energy Storage Alliance.**

“To support this, IESA has launched India Battery Supply Chain Council (IBSCC) with 20+ leading supply chain, components, and equipment providers in December 2021, to develop a complete supply chain for not just supporting Indian domestic giga factories but the other giga factories being set up in Europe and USA as well.”

Currently, battery storage finds its use in consumer electronics, electric vehicles, storage for renewable energy, data centres, and others -- these sectors are expected to witness robust growth in the coming years, and with that, the demand for battery storage is expected to surge.

As per Indian government estimates, India imports INR 20,000 crore worth of battery storage equipment. If, through PLI in ACC battery storage, advanced battery storage technologies can be manufactured domestically, India can significantly reduce its reliance on imports and become a key supplier for advanced storage technologies for driving the growth of green energy and clean transportation around the globe.

Further, battery storage is critical to establishing a domestic supply chain for meeting India’s ambitious targets set up by India for 2030 such as having 30% of all car sales to be electric and meeting 50 percent of energy requirements from renewable energy

About India Energy Storage Alliance (IESA):

India Energy Storage Alliance (IESA) is the premier alliance focused on the advancement of energy storage, hydrogen, and e-mobility technologies in India. The alliance was founded in 2012 by Customized Energy Solutions (CES). IESA’s vision is to make India a global hub for R&D, manufacturing and adoption of advanced energy storage and e-mobility technologies. In the last nine years, IESA member circle has grown from 5 to 140+ members and covers verticals from Energy Storage & EV Manufacturers, Charging Infrastructure, Research institutes & universities, Renewable Energy companies, Hydrogen, Microgrids, Start-ups and Power electronics companies.

IESA website: www.indiaesa.info

Press Contact - India Energy Storage Alliance (IESA):

Swati Gantellu

Manager- Corporate Communications

Tel- 9168429492 | Email- sgantellu@ces-ltd.com