

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2956
ANSWERED ON 20.12.2024

SUBSIDY FOR PRODUCTION OF ELECTRIC BATTERIES

2956. SHRI SANJAY KUMAR JHA:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) whether the production of electric batteries in the country continues to remain stagnant;
- (b) if so, the details thereof;
- (c) whether Government has proposed a billion-dollar subsidy to support domestic production of electric batteries and reduce dependence on imports from China;
- (d) if so, the details of the proposal;
- (e) whether Government has set a timeline for the implementation of this programme, if so, the details thereof; and
- (f) whether this proposed subsidy programme is expected to facilitate the country's transition towards clean energy, if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a) to (e): The Ministry of Heavy Industries (MHI) administers a Production Linked Incentive (PLI) Scheme namely "National Programme on Advanced Chemistry Cell (ACC) Battery Storage". Under the scheme, the total outlay is ₹18,100 Crore for a capacity of 50 GWh for a period of 5 years after gestation period of 2 years. Incentive disbursement of allocated funds shall commence after achieving Milestone-I. Beneficiary firms must ensure to achieve an investment of ₹225 Crore per GWh of the committed capacity at the end of 2 years from the appointed date as well value addition of at least 25% within 2 years (at the Mother Unit Level) from the appointed date i.e. Milestone-1 and raise it to 60% value addition within 5 years from the appointed date i.e. Milestone-2. The details of the scheme may be seen at: <https://heavyindustries.gov.in/pli-scheme-national-programme-advanced-chemistry-cell-acc-battery-storage>

(f): The PLI-ACC Scheme envisages an investment which will boost domestic manufacturing & also facilitate battery storage demand creation for both electric vehicles and stationary storage along with the development of a complete domestic supply chain in the country. The scheme will accelerate electric vehicle adoption and hence translate into substantial savings on account of oil import bill during the period of this Programme and increase the share of renewable energy at the national grid level.
