

Four Companies Selected Under PLI Scheme For ACC Battery Storage

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A total of 4 companies are selected for the incentive under Production Linked Incentive (PLI) Scheme for Advanced Chemistry Cell ([ACC](#)) Battery Storage. This includes Reliance New Energy Solar Limited; Ola Electric Mobility Private Limited; [Hyundai](#) Global Motors Company Limited and [Rajesh Exports](#) Limited. These companies will receive incentives under India's ₹ 18,100 crore programme to boost local battery cell production.

Commenting on the PLI Scheme for ACC Battery Storage, Union Cabinet Minister for Heavy Industries Dr Mahendra Nath Pandey said that "today, the increase in demand for EVs due to a favourable regulatory framework, has mainly attracted investment in this sector. Today big companies are investing in electric vehicle manufacturing in India and are interested to join us." He added, "We should give them more encouragement and keep trying to make India a manufacturing hub. Growth in EV segment of the auto industry will definitely help us to achieve India's commitment to Panchtantra given by Hon'ble PM Modi Ji in COP 26 and will provide huge employment opportunities to Indian youth."

10 companies submitted their bids under the Advanced Chemistry Cell (ACC) Battery Storage Programme in India for which Request for Proposal (RFP) was released by the Ministry of Heavy Industries (MHI) on 22nd October 2021. The scheme was open for receiving applications till 11:00:00 hours IST on 14th January 2022 and the Technical Bids were opened on 15th January 2022.

All the 10 bids were evaluated and 9 companies were found responsive and meeting the conditions of eligibility as per the requirements under the RFP. Accordingly, the Financial bids for the qualified bidders were opened on March 17, 2022, at 11.45 AM after the announcement of the results of the technical evaluation under the transparent global tender process of RFP.

The final evaluation of the Selected Bidders was carried out as per the Quality & Cost Based Selection (QCBS) mechanism and the bidders were ranked on the basis of their combined technical and financial scores. The ACC capacities have been allocated in order of their rank, to a cumulative capacity of 50 GWh per year. Shortlisted Bidders that are not successful in securing allocation are placed under a waiting list.

The Government approved the Production Linked Incentive (PLI) Scheme 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage' for achieving manufacturing capacity of Fifty (50) Giga Watt Hour (GWh) of ACC for enhancing India's Manufacturing Capabilities with a budgetary outlay of ₹ 18,100 crores.

Under the said initiative the emphasis of the Government is to achieve greater domestic value addition, while at the same time ensuring that the levelized cost of battery manufacturing in India is globally competitive.

The program is designed in such a manner that it is technology agnostic. The beneficiary firm shall be free to choose suitably advanced technology and the corresponding plant & machinery, raw material and other intermediate goods for setting up a cell manufacturing facility to cater to any application.

The Program envisages an investment that 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 & Foreign Direct Investment in the country.

ACC PLI scheme is expected to accelerate EV adoption and hence translate into net savings of ₹ 2,00,000 crore to ₹ 2,50,000 crore on account of oil import bill during the period of this Programme and increase the share of renewable energy at the national grid level.

This PLI scheme for Advanced Chemistry Cell (ACC) (₹18,100 crores) along with the already launched PLI Scheme for the automotive sector (₹25,938 crores) and Faster Adaption of Manufacturing of Electric Vehicles (FAME) (₹10,000 crores) will enable India to leapfrog from traditional fossil fuel-based automobile transportation system to environmentally cleaner, sustainable, advanced and more efficient Electric Vehicles (EV) based system.

The overwhelming response shows that Industry has reposed its faith in India's stellar progress as a world-class manufacturing destination which resonates strongly with Hon'ble Prime Minister's clarion call of AtmaNirbharBharat – a self-reliant India.