GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1521
ANSWERED ON 28.07.2026

BATTERY MANUFACTURING INFRASTRUCTURE, LOCALIZATION AND RECYCLING

1521. SHRI P C MOHAN:
MRS RUCHI VIRA:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

(a) the details of status of battery manufacturing infrastructure being developed in the country under the PLI scheme for Advanced Chemistry Cells, including the current level of domestic value addition achieved as against the prescribed target of 60 per cent;

(b) whether any industry or company has proposed or established Advanced Chemistry Cell or battery manufacturing facilities in Karnataka, including Bengaluru and the details of investment and capacity involved;

(c) the details of Government's plans and regulatory framework, including the Battery Waste Management Rules, for recycling of end-of-life EV batteries and the current level of battery waste recycled in the country;

(d) whether any battery recycling facility is planned or operational in Karnataka, including Bengaluru and if so, the details thereof;

(e) whether an integrated strategy is being adopted by the Government for domestic manufacturing of advanced battery Cells to meet the growing demand of Electric Vehicles (EVs) and Battery Energy Storage Systems (BESS);

(f) the details of measures taken by the Government to promote economies of scale in battery manufacturing with a view to reducing battery costs, making Electric Vehicles more affordable and strengthening the indigenous battery value chain; and

(g) the details of incentives provided by the Government for setting up of giga-factories, localisation of battery components, recycling facilities and advanced cell manufacturing technologies?

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

(a) & (e) to (g): The Ministry of Heavy Industries administers the Production Linked Incentive (PLI) scheme, namely "National Programme on Advanced Chemistry Cell (ACC) Battery Storage," approved in May 2021 with a total outlay of ₹18,100 crore to establish 50 GWh of domestic Advanced Chemistry Cell manufacturing capacity.

Out of the total targeted capacity of 50 GWh, 40 GWh has been awarded to four beneficiary firms. One of the beneficiary firm i.e. M/s Ola Cell Technologies Pvt. Ltd., has established a Giga-Scale ACC manufacturing plant with an installed capacity of 1.4 GWh.

The scheme mandates a domestic value addition (DVA) of 25% within two years and 60% within five years from the Appointed Date, as prescribed under the Programme Agreement. Currently, overall value addition remains below the 60% threshold as critical battery components such as Cathode Active Materials (CAM), Anode Active Materials (AAM), separators, electrolytes, and foils continue to be largely imported due to limited domestic manufacturing capacity.

Under the PLI ACC scheme, out of targeted 50 GWh ACC capacity, 10 GWh capacity has been earmarked for Grid Scale Stationary Storage applications. Further, the 40 GWh capacity is end-use agnostic and can be utilized for any application including Electric Vehicles (EVs) and Battery Energy Storage Systems (BESS).

The Union Cabinet has approved the National Critical Mineral Mission (NCMM) on 29 January, 2025 to secure a long-term sustainable supply of critical minerals and strengthen India's critical mineral value chains encompassing all stages from mineral exploration and mining to beneficiation, processing, and recovery from end-of-life products. Further, the Ministry of Mines has taken several initiatives to secure critical mineral supply chain, which *inter alia* include:

- The Ministry of Mines has successfully auctioned 56 critical mineral blocks. Additionally, the Central Government has also successfully auctioned 11 blocks of Exploration License, which include six blocks of critical minerals.
- The Mines and Minerals (Development and Regulation) Act (MMDR Act), 1957 has been amended in 2025 whereby the scope of NMEDT has been expanded to support critical mineral exploration and mining overseas.
- Khanij Bidesh India Limited (KABIL), under Ministry of Mines, has signed an Exploration and Development Agreement with CAMYEN, a state-owned enterprise of Catamarca province of Argentina, for exploration and mining of five Lithium Brine Blocks in Argentina covering an area of 15703 Ha.
- During Union Budget 2024–25, customs duties were eliminated on 25 critical minerals. In Budget 2025–26, Basic Customs Duty (BCD) was exempted on cobalt powder and waste, scrap of lithium-ion batteries, etc. Further, in Budget 2026–27, BCD was exempted on the import of capital goods required for processing of critical minerals in India.
- The Union Cabinet approved a ₹1,500 crore Incentive Scheme to develop recycling capacity for the separation and production of critical minerals from secondary sources. The Scheme was launched on 02.10.2025.
- Guidelines for funding Pilot Projects for Recovery of Critical Minerals from overburden / tailings / fly ash / Red mud etc. issued on 14.11.2025.

(b): Under the PLI ACC Scheme, M/s ACC Energy Storage Pvt. Ltd. (AESPL) has been awarded 5 GWh manufacturing capacity for its manufacturing facility at Dharwad, Karnataka. As on 31.05.2026, the beneficiary firm has reported a cumulative investment of ₹262 crore and creation of 189 direct jobs.

(c): The Ministry of Environment, Forest and Climate Change, has notified the Battery Waste Management Rules, 2022 on 22nd August, 2022 to ensure environmentally sound management of waste batteries. The Rules cover all types of batteries, regardless of chemistry, shape, volume, weight, material composition and use, viz. Electric Vehicle batteries, portable batteries, automotive batteries and industrial batteries. The rules are based on the principle of Extended Producer Responsibility (EPR), where the producers (including importers) of batteries have been obligated for collection, recycling and/or refurbishment of waste batteries, while disposal through landfilling or incineration is prohibited.

The Rules specifically regulate end-of-life EV batteries by requiring producers, importers and manufacturers to ensure their collection, recycling or refurbishment in accordance with Schedule II of the Rules. The rules also encourage the use of domestic recycled content in the battery to reduce the burden on virgin material. Further, the Battery Waste Management (Amendment) Rules, 2025 further strengthen provisions on digital labelling, traceability, and centralised registration and reporting through the CPCB portal. As on 22.07.2026, 6166 producers, 783 recyclers and 2 refurbishers have applied for registration on EPR Portal for Battery Waste Management, out of which, registration has been issued to 4915 producers, 561 Recyclers and 1 Refurbisher. The year wise quantity of waste Lithium-ion battery recycled is provided below:

Financial Year	**Quantity of Waste Lithium-ion Battery recycled (MT)**
2022-2023	699.67
2023-2024	1,456.44
2024-2025	45,284.12
2025-2026	1,05,703.13

(d): As per the information provided by the Ministry of Environment, Forest and Climate Change, 65 battery recycling units are operational in the State of Karnataka. Out of these, 18 battery waste recyclers are registered on the EPR Portal for Battery Waste Management.

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