

Exide Industries to invest ₹6,000 cr in Lithium-ion cell unit in Karnataka

Our Bureau
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Automotive and industrial battery maker, Exide Industries, is looking to invest around ₹6,000 crore to set up a 12 gigawatt-hour Lithium-ion cell manufacturing unit in Karnataka over the next 8-10 years. The first phase of the plant (6 gigawatt-hour), which is expected to be completed in the next 27-30 months, is likely to entail an investment of around ₹4,000 crore.

According to Subir Chakraborty, MD and CEO, Exide, construction work on the project is likely to commence shortly and the first phase will be completed in the next 27-30 months. The funding for the project would mainly come from internal accruals.

"We are a debt-free company and have sufficient reserves. So we will look at internal accruals (to fund the



Subir Chakraborty,
MD and CEO, Exide

project) and some bridge loan facilities from banks as and when required," Chakraborty told media post the company's annual general meeting on Thursday.

TIE UP WITH SVOLT

Under Exide Energy Solutions Ltd, the company is setting up the Li-Ion cell manufacturing facility spread over 80 acres in Karnataka.

It has entered into a multi-year technical collaboration agreement with SVOLT En-

ergy Technology Co Ltd. (SVOLT), a global technology company that makes and develops Lithium-ion batteries and battery systems for EVs and for energy storage.

As part of the agreement, SVOLT is providing Exide an irrevocable right and licence to use, exploit, and commercialise necessary technology and knowhow owned by them for Li-Ion cell manufacturing in India. SVOLT is also providing the requisite support required for setting up a new manufacturing plant on a turnkey basis. "Once the first phase is ready, we will look at ramping up the second phase," he said.

"It is difficult to say what percentage of the business Lithium-ion can comprise (in the future) as the lead acid business will also be growing. But once the plant becomes fully functional, it has the potential to generate ₹10,000-12,000 crore," Chakraborty said.