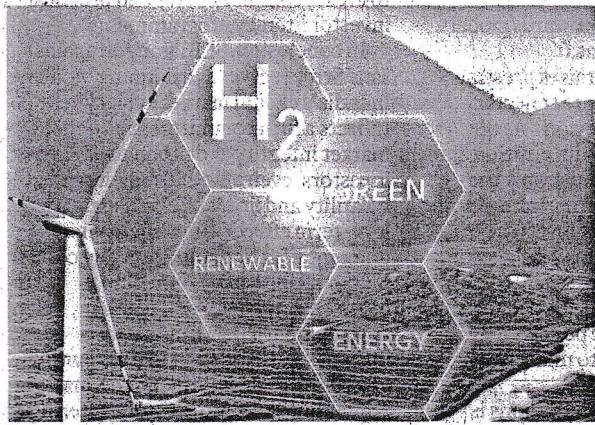


PLI-linked ACC battery storage, green hydrogen projects in slow lane



GREEN MILE. Despite incentives, ACC battery storage and green hydrogen projects continue to miss implementation deadlines, major companies seek extension

Our Bureau
Mumbai

Performance linked Incentive (PLI) has failed to drive progress in key emerging sectors such as advanced chemistry cell (ACC) battery storage and green hydrogen due to their dependence on import of key raw materials.

Launched in 2020, with an outlay of ₹1.97 lakh crore, the PLI scheme has the paved way for ₹1.46 lakh crore in investments, generated ₹12.5 lakh crore in production, created over 9.5 lakh jobs and delivered over ₹4 lakh crore in exports as of last August.

Despite these achievements, two critical emerging sectors — ACC battery storage and green hydrogen — have significantly underperformed. They continue to miss implementation deadlines, with major companies seeking extensions, raising concerns about execution and accountability.

The ACC battery sector, vital for India's EV and energy-storage ambitions, has seen a slow uptake. The sector's budget was increased from ₹15 crore to ₹156 crore in 2025-26.

However, progress remains sluggish. Key players have missed deadlines tied to PLI and have sought requested for a penalty waivers. Though 50 GWh of capacity was awarded to companies such as Reliance New Energy, Ola Electric, Hyundai

and Rajesh Exports, commercial-scale production had not begun till early 2025, despite approvals. India remains dependent on imports of lithium, cobalt, and nickel, making it vulnerable to global price shocks.

The green hydrogen sector is essential for reducing import dependence and securing energy sustainability. Under the National Green Hydrogen Mission, the Centre has allocated ₹13,050 crore for hydrogen production and ₹4,440 crore for electrolyser manufacturing. While the policy is robust, on-ground implementation has lagged.

DELAYED EXECUTION

Last January, the Solar Energy Corporation of India (SECI) Ltd announced winning bidders for capacity allocations under the SIGHT scheme to companies including Reliance, John Cockerill and Jindal, among others. Incentives ranging from ₹93 crore to ₹444 crore over five years have also been provided. However, as of mid-2025, only Ohmium has begun limited production, while for others commercial-scale output is expected only by FY26.

As a result, an immediate assessment of non-serious bidders should be conducted with strict action against non-compliant firms, said an industry expert. The scheme's credibility depends on strict adherence to performance metrics, he added.