India Battery Market Overview

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Indian Battery Market

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Indian Battery Market: An overview

Indian Battery Market: Competitive Benchmarking
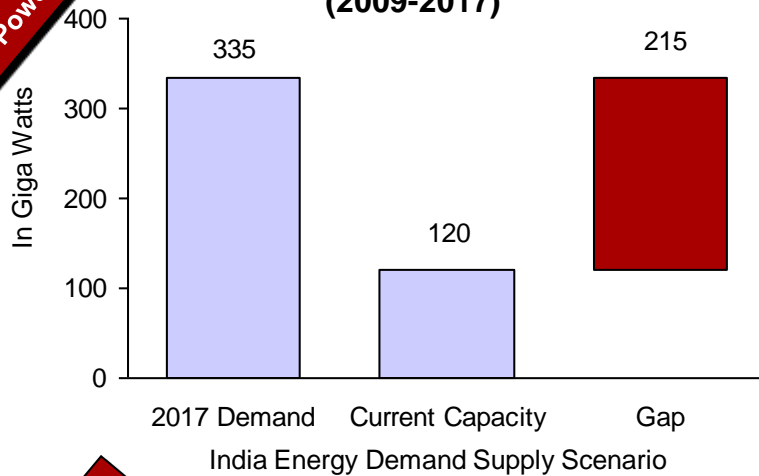
Going Global

Emerging Trends in Battery Market

Key takeaways for Battery Manufacturers
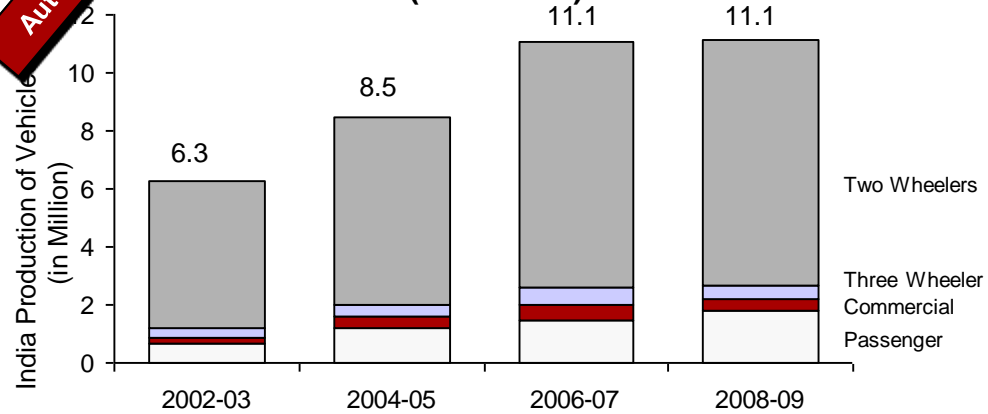
There is an increasing demand of energy in India

1 Power Need

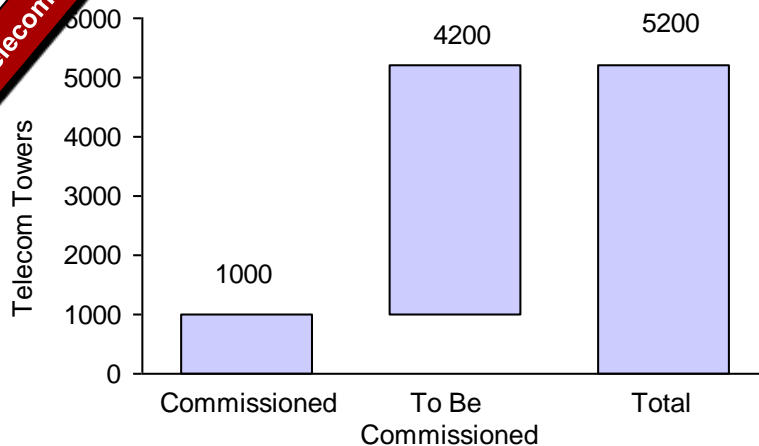## Gap in the Power-Demand and Supply (2009-2017)

In Giga Watts

- 2017 Demand: 335
- Current Capacity: 120
- Gap: 215

India Energy Demand Supply Scenario

2 Automotives

More than 11 Million Vehicles Sold every Year (2002-2010)

India Production of Vehicle (in Million)

- 2002-03: 6.3
- 2004-05: 8.5
- 2006-07: 11.1
- 2008-09: 11.1

Two Wheelers
Three Wheeler
Commercial
Passenger

3 Telecom Towers

Number of Telecom Towers to be Setup

Telecom Towers

- Commissioned: 1000
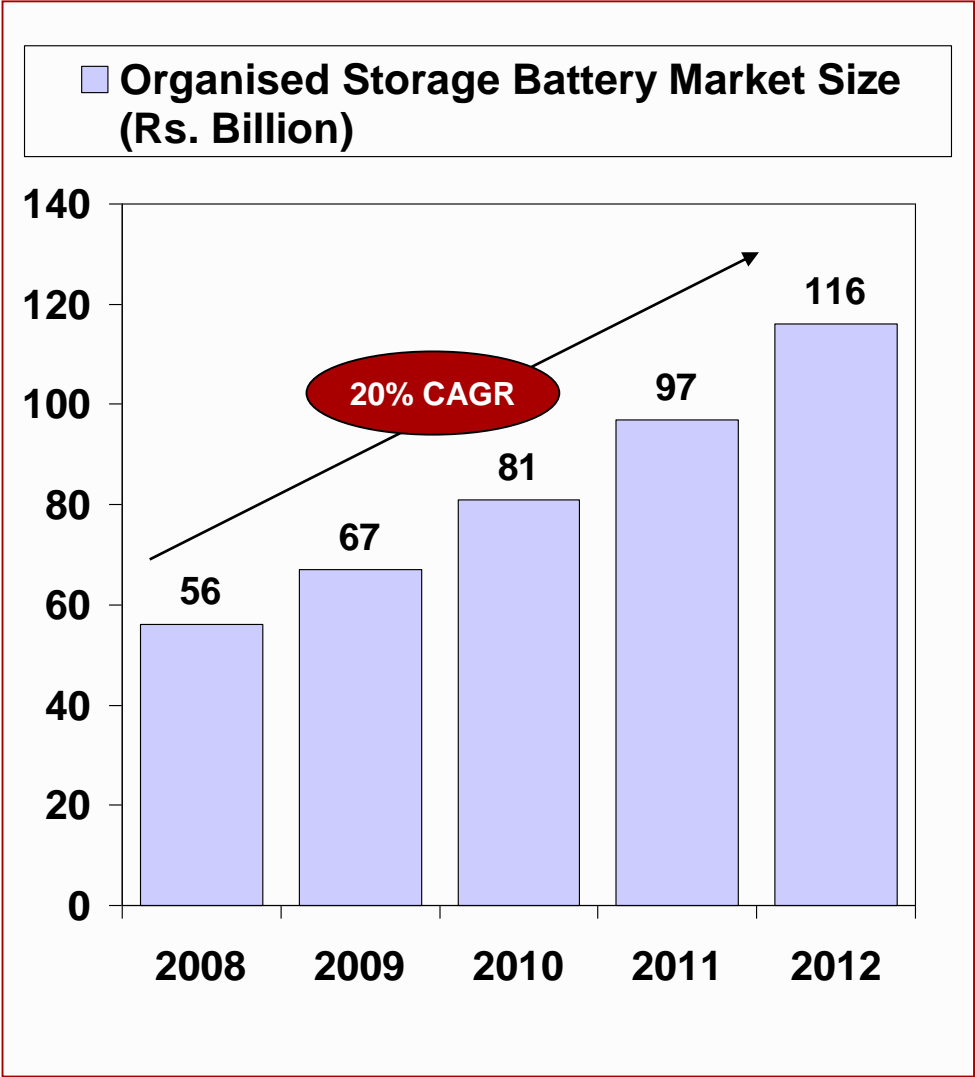- To Be Commissioned: 4200
- Total: 5200

4 Others

Other Demands

- **Demand Through Industrial Batteries**
- **Railways and Other heavy industries**
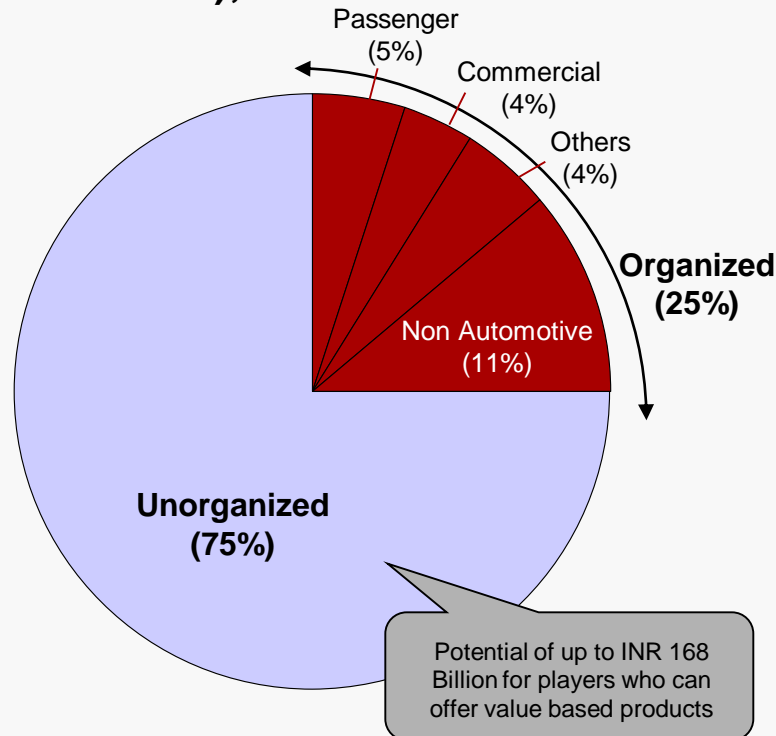- **Home UPS and power support**
- **After Sales Market of Automotive**

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The INR 224 billion Indian battery market is expected to grow at 20% CAGR over the next 4 years

Organised Storage Battery Market Size (Rs. Billion)

Chart data:
- 2008: 56
- 2009: 67
- 2010: 81
- 2011: 97
- 2012: 116

20% CAGR

- The domestic battery industry is poised to more than double within four years

- The growth is coming from both automotive and industrial sectors powered by usage in the telecom, railways, power and other industrial applications

  – India is emerging to be the seventh largest automobile market by 2016 and the world's third largest by 2030

  – Industrial batteries consumption is powered by usage in the telecom, railways, power and other industrial applications

- Given the market potential, for the first time an International Battery Fair was being hosted in India, normally hosted in the US, Europe and in the Asia-Pacific markets
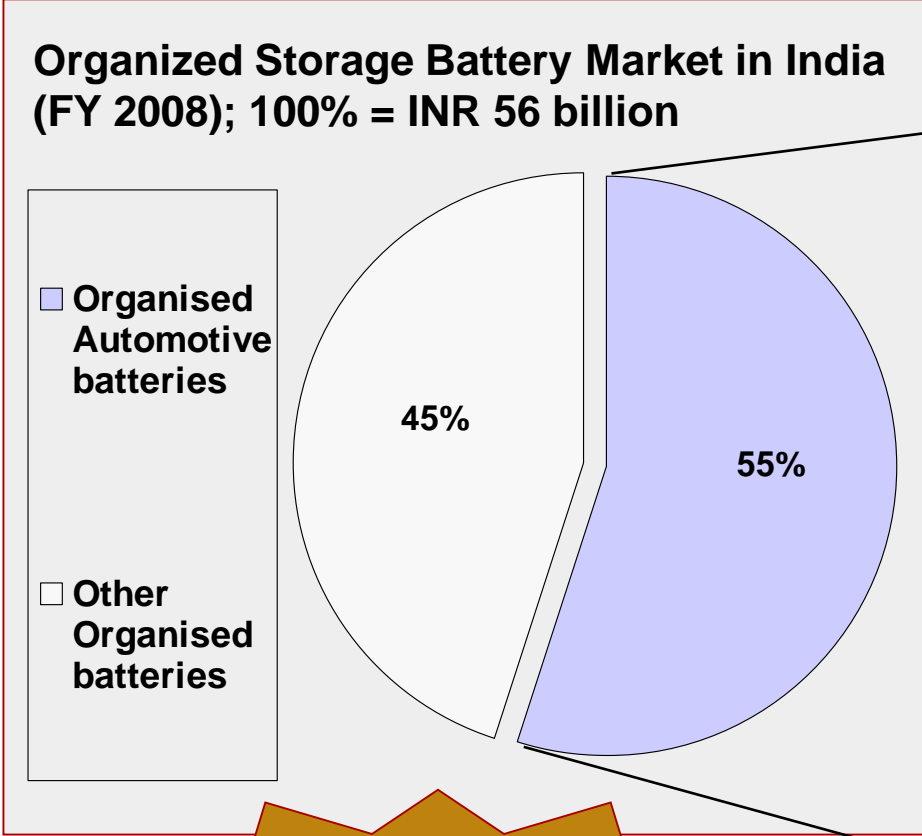
Just 1/4th of the Indian battery market is organized

Total Storage Battery Market in India (FY 2008); 100% = INR 224 billion

Passenger (5%)

Commercial (4%)

Others (4%)

Organized (25%)

Non Automotive (11%)

Unorganized (75%)

Potential of up to INR 168 Billion for players who can offer value based products
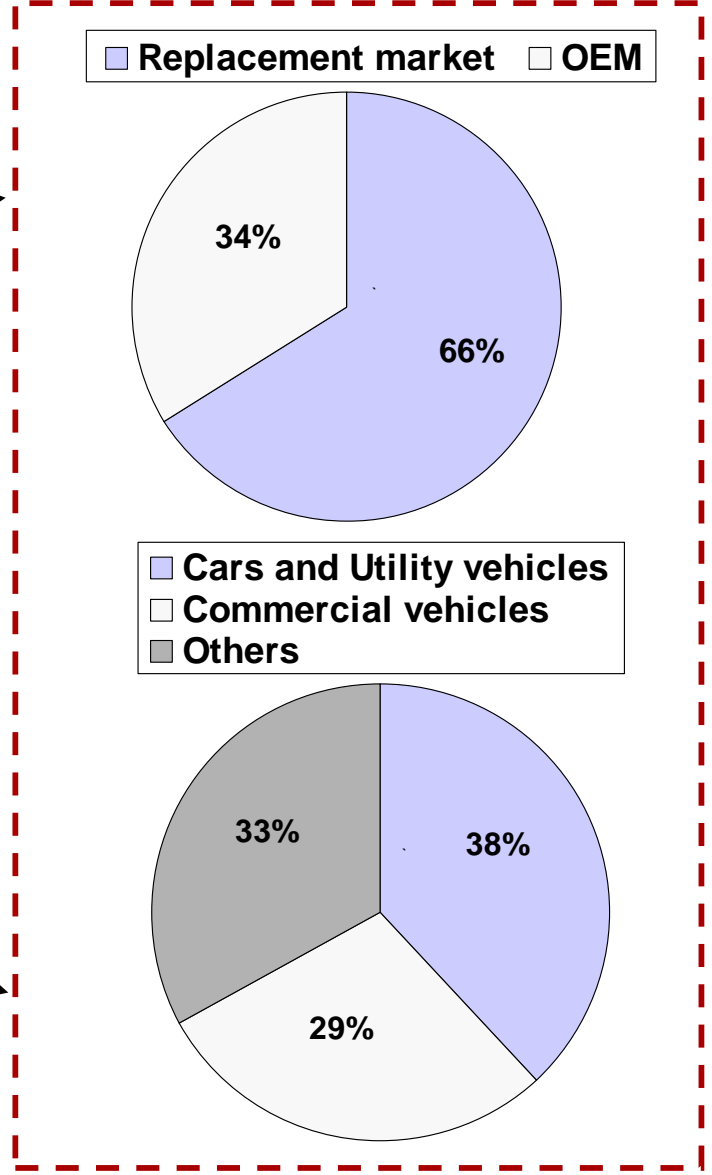
- Although the OEMs prefer the branded batteries the unorganised players are predominant in the replacement market

- Unorganised players price batteries at about 20-25% lower than a branded battery

- The unorganised battery makers cater largely to the Commercial Vehicles segment, which is less quality sensitive and cost sensitive

- Exide dominates the organised replacement market for batteries where it commands over 40% of the market

- The share of the unorganised battery manufacturers is expected to reduce going forward with growing awareness among people over the use of inferior quality batteries, implementation of VAT across states and various initiatives taken up by the organised battery manufacturers

55% of the organized battery demand comes from the automotive sector

Organized Storage Battery Market in India (FY 2008); 100% = INR 56 billion

☐ **Organised Automotive batteries**

☐ **Other Organised batteries**

45%

55%

Industrial segment commands better margins then the automotive OEM segment

☐ **Replacement market**   ☐ **OEM**

34%

66%

☐ **Cars and Utility vehicles**
☐ **Commercial vehicles**
■ **Others**

33%

38%

29%

Thank You!

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