



English



(<https://lohumi.com/>).

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LOHUM plans \$100 million CAPEX to expand second-life battery recycling, plots 10x capacity increase

Financial Express

(<https://www.financialexpress.com/business/express-mobility-lohum-plans-100-million-capex-to-expand-second-life-battery-recycling-plots-10x-capacity-increase-3109440/>)

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LOHUM Cleantech, an integrated lithium-ion battery recycling (<https://lohumi.com/battery-recycling/>) and repurposing company is betting big on its dual business strategy.

According to the company, it is the only one in the country that is repurposing used electric vehicle lithium-ion batteries (<https://lohumi.com/lithium-ion-battery/>) as well as recycling them. LOHUM is targeting 2.5X growth for FY2024. In an interaction with Financial Express Online, Rajat Verma, CEO, LOHUM Cleantech said that the company has been profitable from the start, and in fact, despite being just a five-year-old young brand, it has clocked Rs 300 crore revenue in FY2023.

LOHUM Cleantech already has established partnerships with Glencore to supply specialty chemicals for EV batteries; Mercedes-Benz Energy in Asia for sourcing second-life batteries modules and IIT-Kanpur for R&D in sustainability.

It claims to have customers and partners all across the globe in the US, EU, Middle East, East Asia, and South-East Asia.

Till date, the company has invested over Rs 200 crore in operations and has a 1 GW recycling capacity and repurpose 300 MW of electric vehicle batteries. For the unversed, typically an EV battery has a life ranging between 5 to 8 years or around 100,000km and more depending on the OEM and the model.

This battery can be repurposed for various functions. Verma explains typically it is deployed for three key roles – the battery firstly helps in areas where there is power deficiency which will allow the batteries to provide the load. Secondly, in areas where power theft is common, the government can utilise stationary storage to reduce theft, and finally for energy storage especially for renewable energy generation.

India a strong alternative to China.

Over the past few years, India has been strongly looked upon by global players and countries to be an alternative manufacturing hub to China.



Verma believes that the niche battery recycling (<https://loh.com/battery-recycling/>) and repurposing industry offers a strong potential for India to be a global hub and alternative to China.

This could be attributed to the fact that, while India has been primarily relying on imports of crucial minerals for lithium-ion batteries, there is a lot of R&D happening in maximising energy efficiency and finding alternate chemistries. On the other hand, there is also investment being lined up for manufacturing lithium cells in the country.

In addition, players like LOHUM Cleantech are also aiming to expand their operations and in turn output key battery materials required for electric vehicles.

Going forward, Verma says in the next 3 years, the idea for LOHUM Cleantech is to invest over \$100 million (Rs 824 crore) to increase capacity by 10X and revenue by 2.5x.

The investment will go towards expanding capacity across India, the USA, and Europe.

“We have a strength of over 500 people and are investing around 10 percent of our revenue on R&D. There are more than 50 people currently engaged purely in R&D at LOHUM Cleantech and working towards further enhancing the technology,” concludes Verma.

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