India Lithium Market Growth Analysis - Forecast Trends and Outlook (2025-2034)

Market Report | 2025-10-08 | 111 pages | EMR Inc.

AVAILABLE LICENSES:

- Single User License $3599.00
- Five User License $4249.00
- Corporate License $5099.00

Report description:

The India lithium market was valued at USD 171.60 Million in 2024 . The market is expected to grow at a CAGR of 13.80% during the forecast period of 2025-2034. The market is estimated to attain a valuation of USD 625.09 Million by 2034 mainly driven by the nation's ambitious renewable energy targets that are boosting the demand for lithium batteries.

Key Market Trends and Insights:

- The South India lithium market dominated the market in 2024 and is projected to grow at a CAGR of 15.7% over the forecast period.
- By application, grid storage gains notable traction and is expected to grow at a CAGR of 16.4% over the forecast period.
- By product type, hydroxide is projected to witness a CAGR of 14.2% over the forecast period.
- The West India region is set for the fastest growth at 14.8% CAGR through the forecast timeline.

Market Size & Forecast:?

- Market Size in 2024: USD 171.60 Million
- Projected Market Size in 2034: USD 625.09 Million
- CAGR from 2025 to 2034: 13.80%
- Fastest-Growing Regional Market: West India

India aims to achieve ?500 gigawatts of non-fossil fuel energy capacity by 2030, necessitating reliable energy storage solutions. Lithium-ion batteries, known for their high energy density and long cycle life, are essential in stabilizing the grid and integrating intermittent renewable sources like solar and wind. This growing demand is driving rapid advancements in domestic lithium sourcing, processing, and battery manufacturing capabilities. Both government policies and private investments are aligning to scale up lithium-based energy storage infrastructure across the country.

The India lithium market is witnessing notable growth owing to the rising importance of energy storage in the nation's clean energy transition. As India scales up solar and wind capacities, integrating stable and efficient storage solutions has become crucial for maintaining grid reliability. Lithium-ion batteries, with their high energy density and rechargeability, are increasingly preferred for this role.

Ongoing government initiatives that promote integration of battery storage with renewable energy projects are propelling the India lithium market growth. For example, in ?November 2024, the Central Electricity Authority (CEA) published guidelines encouraging state utilities to adopt grid-scale lithium-ion battery storage to manage peak load and smooth out fluctuations caused by weather-dependent renewable sources.

Moreover, private sector players like Adani Group are investing heavily in large-scale battery energy storage systems, signalling confidence in the long-term growth of the India Lithium Market. In June ?2025, Adani New Industries Limited commissioned India's first off-grid 5 MW green hydrogen pilot plant in Kutch, Gujarat. The plant is fully powered by solar energy and integrated with a Battery Energy Storage System, enabling it to operate completely off-grid. Such projects are likely to boost the India lithium market expansion.

India Lithium Market Report Summary

Description

Value

Base Year

USD Million

2024

Historical Period

USD Million

2018-2024

Forecast Period

USD Million

2025-2034

Market Size 2024

USD Million

Market Size 2034

USD Million

CAGR 2018-2024

Percentage

XX%

CAGR 2025-2034

Percentage

13.80%

CAGR 2025-2034 - Market by Region

South India

15.7%

CAGR 2025-2034 - Market by Region

West India

14.8%

CAGR 2025-2034 - Market by Application

Grid Storage

16.4%

CAGR 2025-2034 - Market by Product Type

Hydroxide

14.2%

2024 Market Share by Region

South India

32.7%

Key Trends and Recent Developments

February 2025

India and Argentina signed a Memorandum of Understanding (MoU) to enhance cooperation in lithium exploration and mining. This collaboration aims to secure a stable supply of lithium to support India's growing EV and energy storage sectors.

February 2025

Himadri Speciality Chemical entered into a technology licensing partnership with Australian battery materials firm Sicona to establish India's first silicon-carbon anode plant. The collaboration granted Himadri rights to access, localize, and commercialised Sicona's SiCx silicon-carbon anode technology, which enhances lithium-ion battery performance by increasing energy density and charging efficiency.

November 2024

Reliance Industries and South Korean steel giant POSCO entered a joint venture to develop lithium-ion battery manufacturing capabilities in India. The partnership aims to accelerate the domestic battery ecosystem and support EV growth.

July 2024

Western Coalfields Limited (WCL), a subsidiary of Coal India Limited, announced plans to explore critical minerals, including lithium, in overburden areas traditionally considered waste. This initiative follows recent discoveries of rare earth elements in Singrauli Coalfields and aligns with India's push for electric vehicles and strategic sectors like defence. WCL also aims to produce over 330 MW of solar power, with the first 15 MW unit nearing completion

Rapid EV adoption and clean mobility push

The rapidly increasing adoption of electric vehicles driven by supportive government policies and expanding infrastructure is fuelling the India lithium market growth. In 2023, EV sales nearly doubled, and projections for 2024 indicated a further 66 percent increase, highlighting a growing reliance on lithium-ion batteries. Tata Motors, for example, announced that by early 2025, its electric vehicle portfolio would include ten models, accounting for a quarter of its total sales. This surge in EV demand is directly influencing the lithium battery supply chain.

Booming consumer electronics sector

Rising demand for smartphones, laptops, and wearables is significantly boosting lithium consumption in India. By the end of 2023, device shipments had exceeded 144 million units, with further growth observed in 2024 as 5G networks expanded and digital lifestyles became more entrenched. Industry sources suggest that battery consumption from consumer electronics has now surpassed that of the EV segment, boosting the application of lithium-ion cells in the country, thereby enhancing market outlook.

Growth in domestic manufacturing and gigafactory expansion

The India lithium market is gaining momentum with the emergence of large-scale battery manufacturing units and gigafactories. Exide Industries initiated the construction of a 6 GWh lithium-ion cell facility near Bengaluru in November 2024, supported by an investment of ?3,600 crore. The plant, scheduled for commissioning in 2025, will use automation solutions provided by Honeywell and is expected to play a crucial role in reducing dependency on imports by bolstering domestic production capacity.

Government support for critical mineral development

Proactive policy measures are strengthening the India lithium market ecosystem. The 2025 Union Budget included the removal of

import duties on lithium-ion battery components and mobile parts, aimed at encouraging local assembly and innovation. Additionally, in January 2025, the government launched a critical minerals initiative with a budget of ?1.63 billion to support domestic mining, processing, and recycling. These interventions are strategically aimed at securing long-term lithium supply and positioning India as a competitive player in global battery markets.

Discovery and development of domestic lithium reserves

The discovery of approximately 5.9 million tonnes of lithium reserves in Jammu and Kashmir in November 2023 drew global attention to India's mineral potential. Although the first round of mining auctions saw limited interest, the government has announced renewed exploration efforts starting late 2024. These domestic reserves hold the promise of reducing reliance on foreign sources while catalysing the establishment of value-added industries such as refining and recycling within the country, further fuelling lithium demand in India.

India Lithium Industry Segmentation

The EMR's report titled "India Lithium Market Report and Forecast 2025-2034" offers a detailed analysis of the market based on the following segments:

Market Breakup by Product Type

- Carbonates
- Hydroxide
- Others

Key Insight: Lithium hydroxide leads the market, fuelled by rising demand in high-performance batteries used in premium electric vehicles and advanced electronics because of its superior energy density and thermal stability. On the other hand, lithium carbonates gain robust momentum due to their broad application in standard lithium-ion batteries for electric vehicles and stationary energy storage. The ?others' segment, which includes lithium chloride and speciality compounds, currently represents a smaller portion but is expected to expand as emerging industrial and pharmaceutical applications gain traction.

Market Breakup by Application

- Automotive
- Consumer Electronics
- Grid Storage
- Glass and Ceramics
- Others

Key Insight: The automotive category dominates the India lithium market by application, driven by the rapid adoption of electric vehicles and the corresponding demand for lithium-ion batteries. Consumer electronics demonstrate the fastest growth, propelled by increasing use of smartphones, laptops, and wearable devices that require lightweight, high-capacity batteries. Grid storage also plays a vital role, supporting India's expanding renewable energy capacity by stabilising power supply. Meanwhile, the glass and ceramics segment maintains steady demand for lithium compounds in manufacturing, and the ?Others' category includes emerging applications across various industrial uses.

Market Breakup by Region

- North India
- South India
- East India
- West India

Key Insight: South India leads the India lithium market by region, supported by strong investments in electric vehicle production and renewable energy projects. North India follows closely, driven by its concentration of lithium extraction sites and industrial hubs focused on battery manufacturing. East India benefits from growing mining activities and emerging manufacturing facilities, while West India plays a strategic role due to its established chemical processing industries and port infrastructure that facilitate lithium import and export. Together, these regions contribute to the balanced growth of the market across India.

CAGR 2025-2034 - Market by

Region

South India

15.7%

West India

14.8%

North India

XX%

East and Central India

XX%

India Lithium Market Share

By product type, lithium compounds witness the highest demand

Lithium hydroxide dominates the India lithium market, driven by the rising demand for high-performance batteries in premium electric vehicles and advanced electronics. Its superior energy density and thermal stability make it ideal for next-generation lithium-ion batteries, which require longer life and better efficiency. The growing shift toward lithium hydroxide reflects evolving industry standards and technological advancements. For example, in August 2023, Reliance New Energy Solar signed an MoU with a European lithium hydroxide supplier to establish domestic processing facilities, supporting India's green energy goals and reducing import dependence.

Meanwhile, lithium carbonates demonstrate the fastest growth in the India lithium market, due to their widespread use in standard lithium-ion batteries, which power most electric vehicles and consumer electronics. Their compatibility with proven battery chemistries and cost-efficiency make them ideal for large-scale applications, especially in India's expanding EV ecosystem. As demand surged, companies have taken steps to strengthen local supply. For instance, in April 2024, Tata Chemicals expanded its lithium carbonate production capacity to meet growing domestic needs and reduce the country's reliance on imports,

reinforcing its strategic role in India's clean energy transition.

By application, grid storage dominates the market

Grid storage applications account for the largest share of India's lithium market, driven by the country's accelerating adoption of renewable energy sources like solar and wind. These sources are inherently intermittent, making energy storage critical for maintaining grid reliability and efficiency. Lithium-ion batteries, with their high energy density and rapid charge-discharge capabilities, are well-suited for this role. As India expands its renewable energy capacity to meet ambitious climate targets, the demand for lithium-based grid storage solutions is expected to grow significantly.

On the other hand, the consumer electronics segment is the fastest-growing part of the India lithium market due to surging demand for smartphones, laptops, and wearable devices. India's smartphone shipments crossed 160 million units in 2023, driving massive battery requirements. To meet this demand, in November 2023, Samsung India partnered with Amara Raja Batteries to locally manufacture lithium-ion batteries for consumer devices, leveraging government PLI incentives. This collaboration exemplifies the growing focus on building a domestic supply chain to keep pace with expanding electronics consumption and the 5G rollout.

India Lithium Market Regional Analysis

Regionally, South India leads the market growth

South India is the fastest-growing region in the market, driven by substantial investments in electric vehicle manufacturing and battery production. In June 2024, Exide Industries broke ground on a ?3,700 crore lithium-ion gigafactory near Bengaluru, slated for completion by 2026. This plant is set to become a major supplier for EV batteries across India. Additionally, the Telangana government announced in early 2025 a partnership with international battery makers to establish research and manufacturing clusters, accelerating the region's lithium market growth.

The West India lithium market is witnessing the fastest growth due to the region's expanding industrial base and robust investment in EV and battery manufacturing. States like Maharashtra and Gujarat offer favourable policies, industrial corridors, and port connectivity, making them attractive for lithium-based production. A notable example is Neuron Energy's 1.5 GWh lithium-ion battery facility, inaugurated in Chakan, Pune, in January 2025, aimed at catering to EVs, grid storage, and telecom sectors. Such developments are significantly strengthening the lithium supply chain and regional consumption patterns.

Competitive Landscape

Prominent enterprises operating in the India lithium market are aggressively expanding domestic lithium-ion battery manufacturing to reduce import dependence. Major lithium companies like Exide Industries and Tata Chemicals are investing in gigafactories and advanced battery R&D. These efforts align with government initiatives such as Make in India and Atmanirbhar Bharat, aiming to localise supply chains and build resilient ecosystems. Automation partnerships and strategic collaborations further enhance production efficiency and scalability, positioning India as a competitive hub for lithium battery production.

Strategic partnerships and policy support are crucial drivers in the India lithium market growth. Firms like Adani and Reliance are investing in integrated battery manufacturing and energy storage projects, often collaborating with international technology providers to access cutting-edge innovations. Concurrently, government incentives are lowering costs and attracting investments. Together, these combined strategies foster a sustainable growth environment, supporting India's transition to clean energy and electric mobility goals.

NMDC Ltd.

Founded in 1958 and headquartered in Hyderabad, NMDC Ltd. is India's largest iron ore producer and a key public-sector mining company. Operated under the Ministry of Steel, it also explores minerals like copper, diamond, and graphite. The company is now diversifying into critical minerals such as lithium to support India's clean energy goals.

NALCO (National Aluminium Company Limited)

NALCO is a Navratna PSU and a global name in aluminium production headquartered in Bhubaneswar and established in 1981. Its strength lies in integrated operations, from bauxite mining to aluminium smelting. As the green energy wave gathers momentum, NALCO is actively stepping into the lithium value chain and renewable projects.

Hindustan Copper Ltd.

Hindustan Copper Ltd. was incorporated in 1967 and is headquartered in Kolkata. It is the only vertically integrated copper producer in India, managing the full process from mining to refining. The company also produces valuable by-products and plays a vital role in supporting the country's non-ferrous metal industry.

Vardhaan Lithium (I) Pvt. Ltd.

Vardhaan Lithium (I) Pvt. Ltd. is a recent entrant, established in 2024 and headquartered in Mumbai. The company is developing a large-scale lithium refinery and battery manufacturing facility in Nagpur. It aims to strengthen India's domestic lithium supply chain and reduce dependence on imports in the electric mobility sector.

Other prominent firms in the India lithium market include Mineral Exploration Corporation Ltd.

Key Highlights of the India Lithium Market Report:

- Provides an in-depth analysis of the market's historical performance and delivers accurate, forward-looking forecasts through (YEAR), enabling stakeholders to anticipate long-term trends and investment opportunities.
- Explores the latest product innovations and technology developments across the lithium value chain, including advancements in battery-grade lithium production, recycling processes, and integration with renewable energy systems.
- Offers a comprehensive competitive landscape, profiling key domestic and international players, recent market entrants, and their strategic initiatives such as joint ventures, acquisitions, and capacity expansions.
- Delivers a region-wise assessment identifying high-potential zones for lithium mining, refining infrastructure, and battery manufacturing, supported by government initiatives and industrial policies.
- Presents an investment-centric perspective, backed by detailed project-level data, policy developments, and funding trends that are shaping the future of lithium production and consumption in India.

Why Choose Expert Market Research?

- Trusted insights supported by robust primary interviews and secondary data analysis from credible industry sources.
- Actionable intelligence designed to support strategic planning, risk assessment, and competitive positioning.
- Tailored coverage with granular region-specific and product-segment analysis, offering deep visibility into the market for lithium carbonate, lithium hydroxide, and application sectors such as EVs, energy storage, and electronics.

Call to Action

Explore the latest trends shaping the India lithium market 2025-2034 with our in-depth report. Gain strategic insights, future forecasts, and key market developments that can help you stay competitive. Download a free sample report or contact our team for customized consultation on India lithium market trends 2025.

Table of Contents:

SCOTTS INTERNATIONAL

India Lithium Market Growth Analysis - Forecast Trends and Outlook (2025-2034)

Market Report | 2025-10-08 | 111 pages | EMR Inc.

To place an Order with Scotts International:

- - Print this form
- - Complete the relevant blank fields and sign
- - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	$3599.00
	Five User License	$4249.00
	Corporate License	$5099.00
	VAT	
	Total	

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*		Phone*	
First Name*		Last Name*	
Job title*			
Company Name*		EU Vat / Tax ID / NIP number*	
Address*		City*	
Zip Code*		Country*	
		Date	2026-02-18
		Signature	