



*News for Immediate Release*

## **Electrovaya, Accompanying Prime Minister Harper's Trade Mission to India, signs Two MOUs for Lithium Ion Batteries for Automotive and Telecom Applications**

*MOU with Environ Energy in powering the Telecom Sector and Hero Eco for Two Wheelers in Europe, North America and India*

**Toronto, ON – November 6th, 2012-** Electrovaya Inc. (TSX:EFL), accompanying Prime Minister Harper's Trade Mission to India, today announced that it has signed two MOUs in the fast growing areas of Energy Storage in the Telecom sector with Environ Energy (Bhaskar Solar), part of a \$4 billion Indian conglomerate, as well as a further expansion in the electric two wheeler sector with Hero Eco for markets in Europe, North America and India.

### **Hero Eco Ltd.**

The MOU with Hero Eco Ltd. would further the synergies of both Electrovaya's and Hero Eco's recent acquisitions. Electrovaya would work with Hero Eco to implement Lithium Ion powered electric bikes for Hero's markets in Asia, Europe and North America.

Hero Eco, the umbrella entity that includes Hero Electric, Hero Exports, Hero Cycles, Mediva, Winn and Hero Ecotech recently expanded its operations in Europe and North America through its overseas acquisition. As a result of this acquisition, Hero will now market Lithium Ion powered electric bikes in less price-sensitive markets of Europe and North America, expanding its market reach to 22 countries.

Hero's expansion into Europe fits well with Electrovaya's recent acquisition of Miljobil Grenland in Europe. Miljobil is a Lithium Ion Battery Pack integrator, which was earlier part of Tata Motors.

Hero is also expecting an increase in sales of Lithium battery powered Electric two-wheelers in the price-sensitive Indian market as a result of India's recently announced National EV policy. The Indian government's recent EV policy calls for a Rs 23,000 crore plan to promote the production of electric (EV) and hybrid vehicles over the next eight years, and set a sales target of 6 million units by 2020. The policy includes aspects such as incentives to customers, charging infrastructure, research & development funding and creation of EV zones.

A trusted brand name with numerous sales and service outlets across India, Hero Electric, which falls under the umbrella of Hero Eco, has recently been developing and testing its products in Europe and North America.

"We have been targeting a multi-country opportunity for our Clean Transportation products and this will further enhance our existing partnership with Electrovaya." says Naveen Munjal, Managing Director of Hero Electric.

"Hero's global expansion plans demonstrate the need for a Green alternative to traditional gasoline powered two-wheel modes of transportation," says Dr. Sankar Das Gupta, CEO of

Electrovaya Inc. "We are delighted to work with leaders such as Hero for these high-growth Clean Transportation markets."

### **Environ Energy Corporation India Pvt. Ltd. (also known as "Bhaskar Solar")**

The MOU with Bhaskar Solar intends to harness Electrovaya's Lithium Ion Battery technology in making renewables-based telecom towers possible. Electrovaya would work jointly with Bhaskar Solar to implement renewable energy management solutions across Bhaskar's proposed 15,000 telecom tower applications.

According to the Telecom Regulatory Authority of India ("TRAI"), India currently has over 300,000 tower sites of which over 30,000 are in off-grid areas. The majority of the Telecom Towers are powered by diesel generators, whether on-grid or off, due to the intermittent power supply. The total annual consumption of diesel fuel by these towers is 2 billion litres, as a result of which 5 megatons of CO<sub>2</sub> is produced annually. TRAI has recently made it mandatory for telecom companies to use renewable sources of energy for powering their towers. At least 50% of towers and 20% of the urban towers are to be powered by hybrid energy sources (renewable and grid) by 2015. In the second phase, the telecom companies will be required to convert 75% of the rural towers and 33% of the urban towers to run on hybrid power. Ministry of New and Renewable Energy ("MNRE") is supporting off-grid solar telecom applications by providing capital subsidy of 30% to a maximum subsidy of Rs 90 per watt peak. Alternatively, soft loans at 5% interest rate subsidized by India Renewable Energy Development Agency (IREDA) are being offered for such projects.

"We have been researching opportunities in the solar industry for some time and have been awaiting an opportunity that could leverage the growing recognition by key regulators about the need to replace diesel generators with clean technology environmentally-friendly energy storage solutions." says Partha Chatterjee, Head Telecom, Environ Energy. "The large size of the market, combined with the growing cost of diesel energy solutions and the financing available for such projects, makes this a very exciting opportunity." adds Partha Chatterjee.

Electrovaya's technology has been commercialized and brought to market with the support of the Government of Canada through Sustainable Development Technology Canada (SDTC). "For SDTC, it is a rewarding to see increased global deployment of Electrovaya's lithium ion SuperPolymer battery in emerging markets like India in the critical sectors of clean transportation and energy storage for telecom applications," said Dr. Vicky Sharpe, President & CEO, SDTC.

### **About Electrovaya:**

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion SuperPolymer® batteries, battery systems, and battery-related products for the clean electric transportation, Utility Scale Energy Storage and smart grid power, consumer and healthcare markets. The Company's mission is to accelerate clean transportation as a commercial reality with its advanced power system for all classes of zero-emission electric vehicles and plug-in hybrid electric vehicles. The Company's other mission is to deliver Utility Scale Energy Storage Systems for the highest efficiency in electricity storage, whether the electricity is generated from intermittent wind and solar power or from other sources. Founded in 1996 and headquartered in Ontario, Canada, Electrovaya has production facilities in Canada, USA and Europe with customers around the globe. To learn more about how Electrovaya is implementing Clean Energy, please explore [www.electrovaya.com](http://www.electrovaya.com).

**About HERO:**

HERO Eco Ltd. Is the newly formed umbrella company of the HERO Group that includes Hero Electric, Hero Exports, Hero Cycles, Mediva, Winn and Hero Ecotech. Hero Eco plans to invest Rs 450 Crore with the intention of turning this investment into Rs. 1500 Crore within the next five years. The Hero Group is one of the world's largest producers of two wheelers. With a background of extensive research, HERO Electric entered the Electric vehicle segment with the single objective of providing eco-friendly, cost-effective mode of personalized transportation with its range of Electric Two-wheeler models. Over a short period of time, HERO Electric has been quick to establish itself as an undisputed leader in the Electric Two-wheeler segment. To learn more about HERO Eco please visit [www.heroeco.com](http://www.heroeco.com).

**Environ Energy (Bhaskar Solar):**

Environ Energy Corporation India Pvt. Ltd. (also known as "Bhaskar Solar") is part of a \$4.1 billion Indian conglomerate based in Kolkata. The group has diverse interests including Clean Renewable Energy and is a leader in the Telecom Tower power sector.

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*Forward-Looking Statements*

This press release contains forward-looking statements that involve a number of risks and uncertainties, including statements that relate to, among other things, the Company's objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to currency rates and creditworthiness of customers); Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; changes in laws and regulations; legal and regulatory proceedings; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans.

Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties", as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.