

Visa blues hit BYD's India EV manufacturing plans

Chinese auto major likely to review proposal once curbs are eased

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Chinese automaker BYD's ambitious plans to come up with a manufacturing unit in India seem to have hit visa blues. According to multiple sources aware of the development, the Central government has not cleared the visas of the top executives of the company to travel to India for discussions with multiple stakeholders.

The company will reconsider the proposal once the Centre eases its norms, say sources. BYD on Tuesday came out in public denying reports that it is planning to come up with a manufacturing unit in Telangana through a tie up with Hyderabad-based Megha Engineering and Infrastructures Ltd (MEIL).

However, another source confirmed that the Chinese major is simultaneously in talks with Tamil Nadu, keeping another local partner in the loop, and the state has already conducted a meeting of the supplier ecosystem players with the company. This is the second time the company's Indian manufacturing ambitions have been hit by regulatory hurdles, after the Centre rejected a proposal in 2023.

"When we contacted BYD, they informed us that they want to manufacture in India, but as of now, the situation is not suitable as the company is unable to get visas for its professionals to freely travel," said a top government source from another state, speaking on condition of anonymity. "It is impossible to plan investments at this stage. Once the government of India eases the restrictions, BYD will re-evaluate its plans," he added.

BYD and the Centre did not respond to



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■ In 2024, BYD surpassed Tesla in sales, with its revenue touching \$101.1 bn, versus its US rival's \$97.7 bn

■ **4.3 mn:** BYD's sales in 2024; expected to be around 5.5 mn units in 2025, and 6.5 million in 2026

■ BYD and Megha Engineering had approached the Centre for clearance for a \$1 billion EV unit in 2023, but it was rejected

■ In 2025, talks restarted with Tamil Nadu and Telangana but progress got hit due to the non-clearance of visas for its officials

questions from *Business Standard*.

However, a top official from Tamil Nadu confirmed that visa issues are currently posing a roadblock for the global major's India entry. "If any state is in advanced stages of talks with BYD, it is Tamil Nadu. We have already conducted a round of meetings with possible supplier ecosystem companies in the state.

However, visas for the company's top executives are yet to be cleared by the central government to conduct discussions with the respective stakeholders," confirmed a source from the Tamil Nadu government.

If talks with Tamil Nadu materialise, it will be the second global major in the last two years to announce a big-ticket investment in the state, after Tesla's global rival and Vietnamese major VinFast began setting up its \$2 billion unit in Thoothukudi, which is expected to be commissioned by the middle of this year. VinFast is planning

to convert India into its new export hub targeting West Asia and Africa, and is also eyeing the development of an entire ecosystem, including a foray into battery manufacturing and its own charging stations through group company V-Green.

The Chinese EV maker surpassed US major Tesla in sales in the third quarter of 2024. Its annual revenue in 2024 was up by 24 per cent at around \$101.1 billion, versus \$97.7 billion for Tesla during the same period. BYD has reportedly sold 3 million vehicles in 2023, 4.3 million in 2024, and is expected to touch around 5.5 million units in 2025. For its future export ambitions, India is expected to be a key market, as its passenger vehicle sales were seen at 4.3 million units in 2024, the third largest after China and the US.

Both BYD and Megha Engineering had approached the Union government for clearance for a \$1 billion EV unit in 2023, but it was rejected.