

BYD prepares \$1 bn bet to build EVs, batteries in India

NITIN KUMAR & REUTERS

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Chinese automotive giant Build Your Dreams (BYD) has submitted a \$1-billion investment proposal to build electric cars and batteries in India, in partnership with a local manufacturing company, *Reuters* reported on Friday. BYD and privately held Hyderabad-based

Megha Engineering and Infrastructures have submitted a proposal to regulators to form an EV joint venture, according to three people in the know. The longer-term plan is to build a full line-up of BYD-brand electric cars in India from hatchbacks to luxury models, one of the three people said.

The Indian government

has not officially confirmed the development but senior officials said that the government is ready to welcome anyone who wishes to invest in the country. "So far, we have not received their representation but if they are planning to come we are ready to welcome them," a senior government official told *Business Standard*.

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BYD...

BYD, the world's largest producer of EVs and plug-in hybrid vehicles, did not immediately respond to Reuters request for comment.

The company previously said it planned to set up manufacturing in India, now the world's third-largest car market. So far, the Chinese automotive firm has sold more than 7 million vehicles globally, according to Automotive Industry Portal MarkLines. However, BYD has sold only 1,893 cars in India, since the start of its business in 2021. Tata Motors, India's largest electric vehicle manufacturer, has sold more than 50,000 cars in the country, so far, according to the Ministry of Road Transport and Highways' VAHAN portal data.

The Ministry of Commerce and Industry and the Ministry of Heavy Industries did not immediately reply to a Reuters request for comment.

BYD's push into India is part of its rapid global expansion to challenge Tesla, which still leads in sales of electric cars. If the India investment is approved, it would give BYD a presence in all major global car markets except for the United States. Tesla recently restarted talks with India's government after putting on hold plans to enter the market last year when it failed to secure lower tax duties on imported vehicles in talks with officials.

BYD has already invested \$200 million in India, where it sells the Atto 3 electric SUV and the e6 EV to corporate fleets and plans to launch its Seal luxury electric sedan this year.

The maker of Blade batteries, as well as finished EVs, has plans to scale up to the production of 100,000 EVs annually in India over a few years but will likely begin by shipping vehicles in parts for assembly in the country as it works to build up a supply chain, one of the sources said.

The investment proposal also includes a plan by BYD and Megha Engineering to set up charging stations in India and build research and development and training centers, the sources said.

The joint proposal comes amid stricter investment rules.