

Tesla on agenda, govt calls meet on auto sector today

CHARGED UP. To discuss the industry in preparation for bilateral trade pact negotiations

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Days after Prime Minister Narendra Modi's visit to the US, the Centre is considering special measures to facilitate Tesla's entry into India, sources familiar with the matter told *businessline*.

They added that Commerce Secretary Sunil Barthwal has scheduled a meeting on Wednesday, specifically focusing on the automotive sector.

The meeting is to discuss the industry in preparation for the upcoming Bilateral Trade Agreement negotiations.

BTA TALKS

"The meeting's agenda is to discuss the 'offensive asks of India from the US and of India' and how these asks can be incorporated in a BTA (Most Favoured Nation, MFN, basis or bilateral)," government sources told *businessline*.

The development is a step forward after the Joint State-

TESLA TIMELINE

- **2016:** Elon Musk shows interest to sell Tesla cars in India
- **2021:** Musk announces Tesla may set up a manufacturing unit in India
- But says Indian import duties are too high
- **2022:** Says will not manufacture unless allowed to first sell and service its cars in India
- **April 2024:** Musk postpones his proposed visit to India citing "very heavy Tesla obligations"



ment issued by Modi and US President Donald Trump on February 13 in Washington. Both countries are looking to increase bilateral trade to \$500 billion by 2030 and to negotiate a multi-sector BTA, the official noted.

"To prepare for the BTA negotiations, sectoral consultations are being held with the Ministries/Departments concerned," the official said, adding that in this regard, a meeting had been called under the chairmanship of Commerce Secretary on Wednesday evening.

According to sources, the Centre had been holding

meetings at different levels and Ministries over the past year so that the US-based electric vehicle maker could also participate in the country's growing EV market alongside China's BYD, Vietnam's VinFast, South Korea's Hyundai and Kia, and Europe's Skoda Auto Volkswagen Group, Renault, Audi, BMW and Mercedes-Benz, all of which have committed to bringing their latest EVs here.

Home-grown auto majors, such as Maruti Suzuki India, Mahindra & Mahindra and Tata Motors, are also participating in various schemes

to achieve 30 per cent total EV sales by 2030. In fact, a few months ago, The Asia Group (TAG), representing Tesla, even attended a stakeholders' meeting called by the Ministry of Heavy Industries on the new EV policy, along with representatives from these companies.

According to some analysts, Tesla's cars will still be expensive compared to others in the market right now as it doesn't have any EV in the \$25,000 price bracket yet. At current import duties, landed prices would be quite high. For instance, the import duty on completely built unit (CBU) cars costing above \$40,000 is 100 per cent and 70 per cent for those below \$40,000.

TESLA'S HIRING PLAN

That Tesla's India arrival may be likely is also indicated by the company calling for applications for 13 roles, including business operations analyst and customer support specialist. Per the company's website, the posts are for the 'Mumbai Suburban' area.