

Tata seeks partnerships for UK battery plant to supply Jaguar Land Rover EVs

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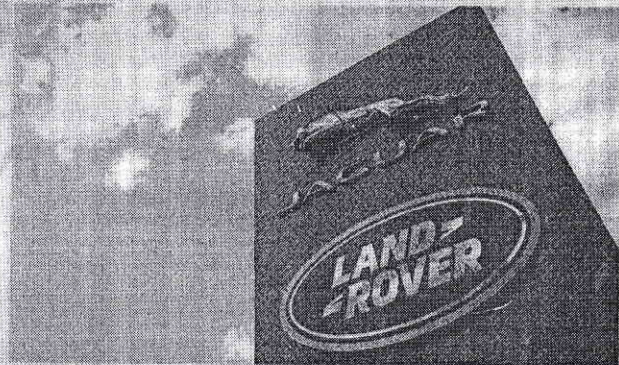
Tata Sons is in discussions with multiple start-ups as the conglomerate seeks technical know-how for its £4-billion (\$5.1 billion) UK battery plant, where it aims to start mass production in 2026.

"If you look at the start-ups that are working in this space, they are at the forefront of technology," Tata Motors Group Chief Financial Officer PB Balaji said. "It's a melange of opportunities. We are speaking to a host of them," he said.

KNOWLEDGE SHARING

The collaborations for the battery plant, capable of supplying cells for at least five lakh vehicles a year, could range from a joint venture and sharing of knowledge to experimentation and licensing agreements, Balaji said.

Tata intends to have partners across "the whole pathway from cell chemistry to manufacturing to industrialisation," he said. The conglomerate is speak-



GROUND WORK. Tata Sons is in talks with start-ups regarding technical know-how for its £4-billion UK battery plant REUTERS

ing to several companies involved in different stages of the value chain — research and development, manufacturing innovation and refining — and plans to make an announcement soon after narrowing down the options.

EV PUSH

Tata's push adds to a host of carmakers like Mercedes-Benz Group Ag, Stellantis NV and Nissan Motor Co, who have mostly chosen to work with long-standing battery makers in scaling up Europe's battery supply.

Volkswagen AG, which is developing 240 gigawatt hours (GWh) of capacity in the region, in June, said its plans faced challenges from finding enough skilled workers, equipment and critical minerals.

The factory is a win for the UK's car industry that has been struggling in the aftermath of Brexit and the switch to electric vehicles (EVs). The UK produced 7.75 lakh cars last year, the fewest since 1965, after the global semiconductor crunch and the closing of some factories hit output.

Jaguar Land Rover Automotive Plc. and Tata Motors, which is a leader in India's EV market, are anchor customers for the plant that will provide 40 GWh worth of batteries with supplies starting from 2026. JLR plans to invest £15 billion over the next five years in developing electric cars and autonomous-driving features.

DEBT AND EQUITY

Tata plans to fund the project with a combination of equity and debt, Balaji said, adding it will also look at equipment financing. Tata will borrow whatever is required to keep the business plan running without over-leveraging the balance sheet, he said.

Tata's main demand from the UK was securing competitive cost and availability of green power on a continuous basis and negotiating that took time, Balaji said.

The UK government adjusted taxes, including grid and connection charges, to make the power competitively priced.