## After Telangana, Maharashtra, now Punjab woos Elon Musk to cradle Tesla hub

Tesla has complained that "high import duties" imposed by the Government of India on completely build units of foreign automobiles would restrict the sales of its vehicles as well as that of electric vehicles in general.

MONEYCONTROL NEWS | JANUARY 17, 2022 / 07:30 AM IST



governments are apparently trying to outdo each other in rolling out the red carpet for the

American electric vehicle manufacturer.

Tesla has sought lowering of import duties in India.

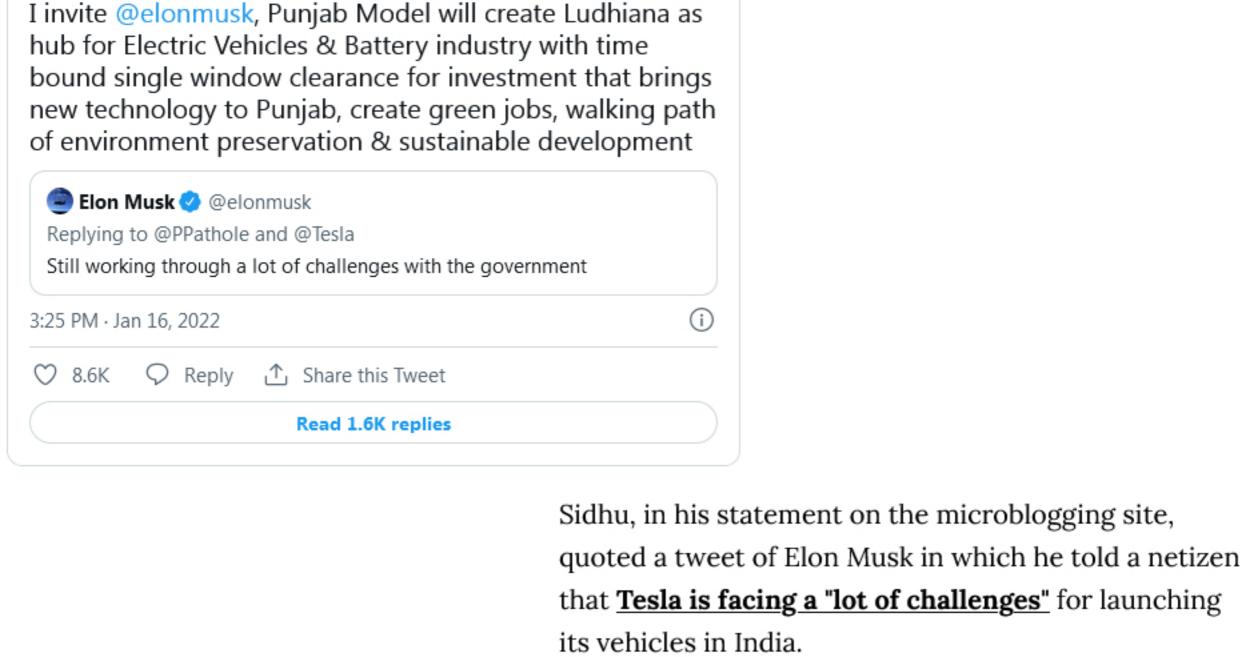
After Telangana and Maharashtra, Punjab appears to be the latest to invite the company. Navjot Singh Sidhu, who heads the state unit of the Punjab-ruling Congress, took to Twitter to invite Tesla CEO Elon Musk.

As the standoff over import duties continues between the Centre and **Tesla**, a number of state

Under the "Punjab Model", said Sidhu, Ludhiana would emerge as the hub for the electric vehicle and battery industry.

The state would provide "time bound single window clearance for investment that brings new technology" and creates "green jobs", added the former Punjab minister, who is also being viewed as

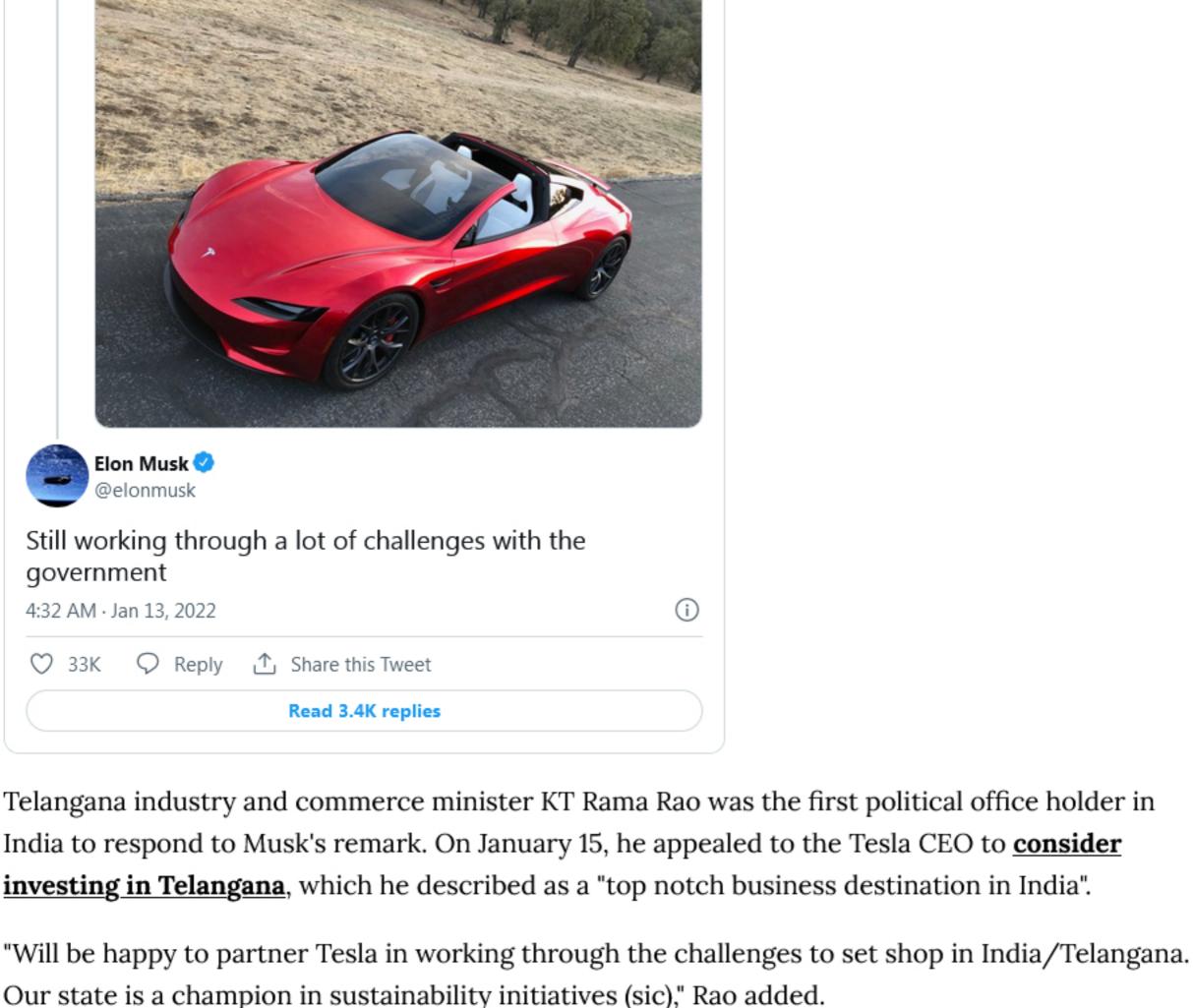
a top contender for the chief ministerial post if the Congress retains power in the assembly polls next month. Navjot Singh Sidhu 🤣 @sherryontopp



The netizen, a Twitter user identified as Pranay Pathole, had on January 13 asked Musk: "...any further update as to when Tesla's will launch in India?"

social media, was prompt in replying: "Still working through a lot of challenges with the government".

The Tesla boss, who is known for his active use of



Pranay Pathole @PPathole · Jan 12, 2022

the world!

Yo @elonmusk any further update as to when Tesla's will launch in

India? They're pretty awesome and deserve to be in every corner of

The Telangana minister was followed by his Maharashtra counterpart, Jayant Patil, who invited Musk to set up a manufacturing plant in the state.

"Maharashtra is one of the most progressive states in India. We will provide you all the necessary

manufacturing plant in Maharashtra," Patil tweeted on January 16. Jayant Patil- जयंत पाटील 🤣

help from Maharashtra for you to get established in India. We invite you to establish your

.@elonmusk, Maharashtra is one of the most progressive states in India. We will provide you all the necessary help from Maharashtra for you to get established in India. We invite you to establish your manufacturing plant in Maharashtra.

```
🗐 Elon Musk 🤣 @elonmusk
   Replying to @PPathole and @Tesla
   Still working through a lot of challenges with the government
 9:38 AM · Jan 16, 2022
                                                          (i)
  Read 642 replies
'High import duties' a roadblock
```

🌃 @Jayant\_R\_Patil

Last year, the states of Karnataka, Gujarat, Andhra Pradesh and Tamil Nadu, apart from Maharashtra and Telangana, had formally reached out to Tesla to set up a plant. The company had also received formal approval for seven of its cars to begin production.

However, Tesla has complained that "high import duties" imposed by the Government of India on completely build units of foreign automobiles would restrict the sales of its vehicles as well as that of electric vehicles in general.

High duties would also make it tougher to commit to an investment in India, the company has said.

India levies a 60 percent import duty on electric vehicles that cost \$40,000 or less and a 100 percent for those priced above the threshold to protect the domestic industry.

In the past, Union government officials have said that Tesla can take advantage of the productionlinked incentive schemes for the sector, including the one for advanced chemistry cells for electric vehicles.