

Panasonic plans battery plant in India under PLI

Japanese Co In Talks With Govt, Looks To Supply Tesla, Other EV Makers In Country

Sidhartha & Pankaj Doval | TNN

New Delhi: As Elon Musk's Tesla makes strides to enter the Indian market, Panasonic — its biggest supplier of batteries — is coming close to finally setting up a battery manufacturing plant in India under the government's advanced chemistry cell (ACC) battery storage scheme.

Top sources told **TOI** that a high-level delegation from the Japanese company held talks with senior functionaries of the government in the first week of this month. Kazuo Tadanobu, global president and CEO of Panasonic Energy, came and met former Niti Aayog CEO and G20 Sherpa Amitabh Kant, apart from heavy industries secretary Kamran Rizvi. He was accompanied by senior Japanese officials from Panasonic Energy, apart from Panasonic Life Solutions India chairman Manish Sharma.

The company apprised the government of their plans to consider India for a battery manufacturing operation, while the latter briefed them about the schemes available for such expansion and the country's potential for growth. When contacted, a spokesperson for Panasonic India declined to speak on the matter.

However, it is understood that the Japanese company is now "coming close to making substantial invest-

ments" in India with setting up of the battery manufacturing plant.

The government had in March last year selected four companies for the Rs 18,100 crore production-linked incentive (PLI) scheme for ACC battery storage. However, Hyundai Global Motors, which was allotted benefits for a 20GWh (Gigawatt hours) capacity, had pulled out of the scheme, which may

Hyundai, and the Volkswagen group are aggressively expanding their electric fleet in India, and thus would be seen as major consumers for Panasonic's batteries.

"The government had also briefed the Panasonic team about the bullish business potential in India for automotive batteries, and said that it should be ready to invest in India— with or without Tesla's investments,"

CHARGED UP

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➤ Government briefed the Japanese company about **schemes available for such expansion**

➤ Government also briefed the Panasonic team about **bullish potential in India** for

automotive batteries and said it should be ready to invest in the country

➤ Companies such as Tata Motors, Mahindra & Mahindra, Mercedes-Benz, Hyundai, and Volkswagen group would be seen as **major consumers for Panasonic's batteries**



now be passed on to Panasonic if the government re-opens the window.

However, there is no confirmation on the same and this needs to be ratified at the highest levels within the government, the sources said.

Panasonic is eyeing supplies not only to the yet-expected plant of Tesla in India, but also to other players in the Indian automobile market. Companies such as Tata Motors, Mahindra & Mahindra, Mercedes-Benz,

said one of the source.

A total of 10 companies had originally submitted their bids under the ACC battery programme for which Request for Proposal (RFP) was released by the ministry of heavy Industries in October 2021.

Of these, four were selected for incentives in march 2022, which, apart from Hyundai Global Motors, comprised Reliance New Energy Solar, Ola Electric Mobility, and Rajesh Exports.