

# China's Leapmotor set to enter India with EVs

## Has Tie-Up with Stellantis | 3rd Chinese Auto Co To Come After SAIC's MG & BYD

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**New Delhi:** After MG and BYD, Leapmotor, the Chinese EV maker, is set to enter India. The company, which was previously been in discussions with Sajjan Jindal's JSW, will be announcing investments and India entry plans in partnership with the Stellantis group, which recently bought a stake in its global operations.

"Leapmotor and Stellantis are likely to make an announcement about the India plans, and this may happen as early as the next few weeks," a source told **TOI**. "If approved by govt, this will see the launch of budget electric cars developed by Leapmotor into India, intensifying competition in the green cars space," the source added.

Stellantis, one of the world's top auto makers, currently runs a slew of brands across continents and these include Citroen, Jeep, Chrysler, Peugeot, Fiat and Maserati. Stellantis is present in India through Jeep and Citroen, and is now planning to go on an overdrive when it comes to expanding operations, introducing brands, widening retail, or making new investments.

The global partnership between Stellantis and Leapmotor is also a recent one, and it is this deal that perhaps gives confidence to the Chinese

### TO LAUNCH BUDGET E-CARS

➤ Leapmotor and Stellantis are likely to make an announcement about India plans and this may happen in next few weeks, says a source

➤ If approved by govt, this will see launch of Leapmotor's budget electric cars in India

➤ Stellantis had announced plans to invest \$1.6 billion in Leapmotor to acquire around 20% in Oct last year

➤ The deal outlines formation of Leapmotor International,

a 51:49 Stellantis-led JV that holds rights for export, sale, manufacturing of Leapmotor products outside Greater China

➤ India entry plans are expected to be led by new export-oriented entity

➤ As Stellantis holds controlling stake in the entity, companies hope to circumvent Indian govt's strict rules around Chinese-led entities by highlighting control by a non-Chinese automaker



company to make a bid for the Indian market, despite strict checks on investments from companies that emanate from countries, which share land border with India.

These checks have seen BYD struggle to expand in India after failing to get approvals from govt on its investment plans, despite making a bid with a local partner. On the other hand, MG Motor, owned by China's SAIC group, had to finally give space to an Indian partner as Sajjan Jindal's JSW bought a significant stake in the company with agreements to take it up to 51% over the next few years.

Stellantis had announced plans to invest \$1.6 billion in Leapmotor to acquire

approximately 20% in Oct last year, emerging as a significant shareholder in the Chinese budget EV company. The deal between the two companies also outlined the formation of a new entity called Leapmotor International, a 51:49 Stellantis-led joint venture that holds exclusive rights for the export and sale, as well as manufacturing, of Leapmotor products outside Greater China. The India entry plans are expected to be led by the new export-oriented entity. When contacted by **TOI**, Thierry Koskas, Citroen brand CEO and chief sales & marketing officer for Stellantis, refused to comment on the possible entry of Leapmotor in India.