

Global tyre makers to invest for mfg in India

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New Delhi: Global tyre makers Michelin, Bridgestone and Goodyear have lined up manufacturing investments for India, with Yokohama and Birla Tyre may join in to take advantage of a govt scheme that links imports to investment.

While the amount involved could be in the region of Rs3,000 crore it is seen as a beginning after the Centre put curbs on imports in a bid to spur domestic investments. The investments are expected to result in the creation of a few hundred jobs with Yokohama, which is yet to announce its investment plans, expected to be the biggest investor with a plant in Haryana, where nearly half the workforce will include women.

The scheme by the department for promotion of industry and internal trade (DPIIT) has linked imports to investment in capacity

Eyeing Policy Benefits

- Govt has put curbs on tyre imports in an attempt to push domestic investments
- Investments are expected to create jobs
- Yokohama may emerge as the biggest investor with a plant in Haryana
- Others include Michelin, Bridgestone and Goodyear



creation. The check on tyre imports, which was among the first set of items to face licensing requirements, had resulted in foreign companies complaining of difficulties in shipping tyres, with the high-end ones hit the hardest. The scheme will help fill the gap even as import norms have now stabilised.

“We are seeing the results of the steps we have taken and we are expecting more companies to come

and make in India,” said a senior official.

The development is seen as a positive sign for the electric vehicle policy, where govt is seeking to allow lower duty imports for a limited period if a company invests in a local manufacturing facility and sources components.

The Modi govt has been courting the likes of Elon Musk’s Tesla to invest in the country, hoping to create jobs and speed up the transition to EVs. While Musk was expected in India, he cancelled his trip at the last moment, citing other engagements.

While govt officials are still hopeful of Musk coming to India, other players such as Vinfast, are poised to take advantage of the new policy although they are suggesting certain tweaks. The heavy industries department is working with stakeholders to put together the guidelines before inviting bids over the next few months.