Musk likely to unveil $2-$3b India investment during visit

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Online *Desk*: Tesla chief Elon Musk is set to announce an investment in India of $2-$3 billion, mainly for building a new factory, when he visits New Delhi next week to meet Prime Minister Narendra Modi, two sources familiar with the discussions said.

Musk will meet Modi on Monday during his India trip, when the billionaire is expected to unveil his plans to enter the world’s third-largest auto market where electric car adoption is still in its infancy.

India’s EV market is small but growing and dominated by local carmaker Tata Motors. EVs made up just 2% of total car sales in 2023, but the government is targeting 30% of new cars to be EVs starting 2030.

Musk’s visit comes as Tesla battles slowing sales in the major markets of the United States and China, and has this week announced layoffs affecting 10% of its workforce.

Details of Musk’s India visit are closely-guarded, with the CEO only publicly confirming on his social media platform X that he will meet Modi in India.

The two sources said Musk will likely give an investment figure for India without sharing details such as a timeline or an Indian state where the plant will be built.

Tesla did not immediately respond to a request for comment.

For years, Musk opposed India’s high import taxes for EVs and lobbied for a change. India’s government in March unveiled a new EV policy lowering import taxes to 15% from as high as 100% on some models if a carmaker invests at least $500 million and sets up a factory.

Tesla has already started scouting for showroom space in New Delhi and Mumbai, and its Berlin factory is producing right-hand drive cars it aims to export to India starting later this year, Reuters has reported.

Musk is also likely to attend an event organised by the Indian government in New Delhi with space startups, the two sources said.

Musk owns US space company SpaceX.