

# Luxury cars, white goods set for price hikes in 2025

**KEY FACTORS.** Rising input, freight costs and inflationary pressures among reasons

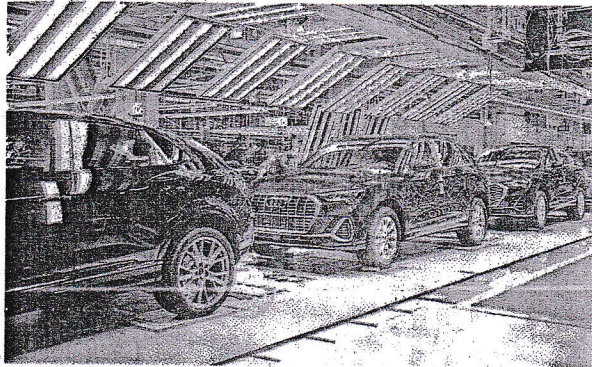
**Aroosa Ahmed**  
Mumbai

With rising input prices and an increase in shipping costs, luxury cars and consumer durable goods could become expensive in the new year.

For instance, German luxury carmaker Mercedes-Benz India will be increasing its vehicle prices by up to 3 per cent from January 2025.

## PRICE CORRECTION

"Over the past three quarters, we have been facing increased pressure on our cost structure, primarily driven by escalating material cost, fluctuating commodity pricing, increased logistics expenses and inflationary cost. While we have been absorbing these cost pressures by optimising our operational costs and driving higher efficiencies, the overall bottom line is getting impacted, considering the current challenges," said Santosh Iyer,



**BRACE FOR IMPACT.** Luxury carmakers are likely respond to increasing costs with up to a 3 per cent hike in rates BLOOMBERG

Managing Director and CEO of Mercedes-Benz India.

"To ensure the sustainability of our business we have decided on a nominal price correction. This will apply to vehicles currently not in stock, offering price protection for all existing and future bookings till December 31," he added.

BMW Motorrad India is expected to increase prices by 2.5 per cent across its

models from January 1, 2025.

"The price corrections are driven by rising overall input costs and inflation pressures. The decision will support in ensuring profitability and high standards of BMW Motorrad," BMW said in a statement.

Audi India has also announced a price rise: "We are implementing a price adjustment of up to 3 per cent from January 1, 2025, due to rising

input costs," said Balbir Singh Dhillon, Head of Audi India.

## ON WHITE GOODS

Prices of white goods could see an uptick of up to 10 per cent. "Due to global tension, there are price increases in raw material and freight cost. The prices across all categories of televisions will increase around 10 per cent in January," said Avneet Singh Marwah, CEO of SPPL.

However, the festive season sales uptick has helped the consumer durable makers. "The television market is currently in a stabilisation phase following robust Diwali sales. Our brand partners also maintain adequate stock, minimising the likelihood of immediate price changes. However, we will continue to monitor material and shipping cost fluctuations and make necessary adjustments in the future," said Arjun Bajaj, Director, Videotex.