

'Only EV' plan 100% correct: Volvo Cars

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New Delhi, 3 July

Electric car sales may be seeing some ups and downs recently, but the long-term strategy of Volvo Cars to sell only electric cars by 2030 is "100 per cent" correct, Martin Persson, head of Volvo Cars for the Asia Pacific (except China) region, said on Wednesday.

"Yes, there is a bit of plateauing in electric car sales. We were expecting this development. There was a strong uptake in the beginning. Then we might have a slower pace of growth. Then it will increase again. This pattern will look similar in almost any market," he told reporters.

When asked if the company's strategy of focusing on just EVs would yield high growth in India, he said: "In the long term, 100 per cent. Short term, perhaps we are not totally in sync with the market.

But we are here for the long game. We are running a marathon and not a sprint."

In India, 27,300 electric cars were sold in the first quarter of 2024-25, showing no year-on-year (Y-o-Y) growth. In contrast, hybrid car sales reached 22,300 units in the first quarter, marking a 38 per cent Y-o-Y increase, according to industry sources.

Volvo Cars holds about seven per cent share in India's luxury car segment, which saw sales of about 45,000 units last year. Electric car sales comprise about one-fourth of Volvo's total car sales in the country.

The company aims to sell only electric cars by 2030. It plans to launch one electric car every year in India till then.

"We are committed. We are saying by 2030, we will be fully electric. We have never said it will be a straight curve where the electric car sales will go



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Head, Volvo Cars for
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only up," Persson noted.

He said the sales of electric cars would increase as new models would be launched in the coming years, addressing each market segment. The product portfolio right now is quite narrow. "But now the product offerings will grow. It will be a segment where every consumer would find a suitable car," he noted.

When asked if Volvo Cars is

planning to launch more hybrids in India, he said: "I think plug-in hybrids could play a role...we have all the products in our portfolio. We are discussing internally if we need to bring more of them to India."

On the Indian government's high taxes on hybrid vehicles, he said: "It is part of the equation. Of course, we need to look at that."

Persson said India is the smallest market for the company in the Asia-Pacific region. "I don't think it will stay that way. I expect higher growth in India than in the rest of the region. Further down the line, I think India will become a significant market for us in this region. Perhaps not at the level of Japan or Korea, but it is certainly getting there," he noted.

"The potential is big. But it will not come automatically to us. We need to take certain steps to capture that potential. I am not naive to think that we can just sit in the boat and wait for the water to lift us," he elaborated.

Volvo Cars needs to invest in its brand and its dealer network in India. "It is about consumer experience. It is about digitising the consumer journey. We are doing online sales today. It is not just about one thing," he added.