

# BMW Group Chennai plant eyes growth in demand, production

**bl.**interview

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Chennai

BMW Group Plant Chennai, established in 2007, at the Mahindra World City in Chengalpattu, has come a long way when it comes to the scale of its facility, operations, manpower and achievements around localisation.

Sitting on a large capacity, the auto maker is anticipating production growth and is gearing up to cater to the rising demand. In 2026, the Chennai plant will undertake 15 product launches, said Thomas Dose, Managing Director, BMW Group Plant Chennai on the sidelines of the Indo-German Chamber of Commerce meeting held in the city recently.

BMW Group India posted its highest-ever car sales in January-September period with 11,978 units of cars

(BMW and MINI) and 3,976 motorcycles.

*Edited excerpts:*

## **Can you tell us what is happening at the Chennai plant now?**

We are chasing record after record as volume keeps increasing.

We are now seeing substantial growth in our volume, and we have to manage all the launches. It's quite challenging.

We have been operating the Chennai plant for 19 years with some rollercoasters of volume, and with many ups and downs.

The economy was also going through many ups and downs. But for five years in a row, there has been substantial growth.

## **What is the plant's capacity and production?**

It has an annual installed capacity of 45,000 units. But, we are under-utilising it. Last year, we ended with



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**THOMAS DOSE**

MD, BMW Group Plant Chennai

around 14,000 units. This year, we will have 15 per cent growth.

Next year, we may see 20 per cent growth. The Indian market is one of the most important markets for us globally.

## **How are you going to ramp up operations?**

If growth continues, we will have to go for a second shift as against the one shift now. However, I don't foresee this for next year, but maybe the year after next.

## **Which car categories do you see growth coming from?**

It is mainly from the smaller cars, and a substantial growth in battery-driven cars.

## **What sort of models are you planning to launch next year?**

We will launch over 15 products in 2026 across the BMW, MINI and BMW Motorrad brands.

## **How about BMW's localisation in India?**

BMW has a deep localisation in the country and it's designed in Germany but produced in India.

We have localisation of

around of 50 per cent now and have a strong ambition to go into deeper localisation.

## **How do you view the India-EU FTA?**

We will speak about the benefits once we have clarity on the provisions.

## **How about Indian policies?**

Policies by the Indian government are geared towards opening the market and promoting localisation. The UK and EFTA trade agreements have been closed successfully.

The US and EU trade agreements are also something to look forward to.

## **What has been the impact of GST 2.0?**

For domestic consumption, GST 2.0 has been a big boost. For the luxury car industry, the ex-showroom prices have reduced 6-7 per cent with positive impact on demand.