

On green drive, luxury EVs record double-digit sales in CY23

DEMAND UPTICK. EV penetration to grow at a steady pace in CY24 with new launches

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With the uptick in demand for electric vehicles (EVs) in the country, luxury car manufacturers registered double-digit sales in CY23. BMW India registered a 10 per cent growth in sales, while Volvo Car India registered a 28 per cent EV sales during the year.

"The Indian customer's response to EVs has been encouraging. The fact that we booked a 150 XC40 Recharge cars within a few hours of opening online booking in late-July 2022 is testimony enough to the acceptance and response to luxury EVs. In 2023, Our XC40 Recharge and C40 Recharge account for 28 per cent of the total sales.

"The locally-assembled all-electric XC40 Recharge performed exceptionally well, with 510 units sold during this period. C40 Recharge has also shown great response and accounts for 180 units within three months in 2023. While



GATHERING MOMENTUM. EV penetration is expected to increase up to 7 per cent by the year-end BUOY GHOSH.

we have good demand from across India, Kerala and Tamil Nadu markets have shown encouraging Battery Electric Vehicles (BEV) acceptance surpassing 100 deliveries of Volvo EVs in a short span," Jyoti Malhotra, Managing Director, Volvo Car India, told *businessline*.

Mercedes-Benz India and Audi India registered sales of 4 per cent and 3 per cent respectively of EVs in CY23.

NEW LAUNCHES

"The EVs constitute 3 per cent of our total sales volumes. By

2030, we expect 50 per cent of our total sales in India to come from luxury electric cars.

It is important to note that our e-tron range is priced above ₹1 crore, which implies that we are catering to a limited segment, and to achieve half of our sales from electric cars, we would need to introduce more models," Balbir Singh Dhillon, Head of Audi India, told *businessline*. The company's performance lifestyle cars and e-tron range grew 40 per cent in 2023, while Mercedes-Benz India saw a 3X growth in its EV portfolio.

According to Federation of Automobile Dealers Associations (FADA) statistics, Mercedes-Benz registered a 141 per cent year-on-year growth of EV retail sales in December 2023 with 82 units compared with 34 units in 2022. BMW India registered a 331 per cent growth with 164 units (38 units), while Volvo registered a 134 per cent growth with 54 units (23 units).

GROWTH MOMENTUM

Industry experts point out that EV penetration in passenger vehicles will continue to grow at a steady pace in CY24, with new launches by Original Equipment Manufacturers (OEMs). Mercedes-Benz plans to launch three new EVs during the year.

"OEMs will introduce their range of EVs that will further increase the electric passenger vehicle penetration during the year. The penetration is expected to increase up to 7 per cent by the year-end," said Manish Raj Singhania, President of FADA.