

FTAs set to drive luxury car market: Audi India

S Ronendra Singh
New Delhi

German luxury carmaker Audi said with India signing free trade agreements (FTAs) with developed countries over the last few years, there would be more disposable income with people which may ultimately increase buying power and thereby help the luxury car market to grow in the country.

9 FTAs SIGNED

"India has signed nine FTAs in the last two years and most of these FTAs have been signed with countries where per capita income is much more than ours. This means we have signed the deals mostly with developed nations, which provides a lot



of buying power. India has an opportunity to export a lot of 'Made in India' stuff that eventually means that our businesses will grow there and people will have much more disposable income with them, and if that happens, the industry will grow in the luxury space," Balbir Singh Dhillon, Brand Director, Audi India, told *busi-*

nessline. He added that the FTA between India and European Union wouldn't make a difference for companies like Audi as most products made here are for domestic consumption only.

FINE PRINT

"We don't need to limit ourselves to certain cars because 95 per cent of cars we make are sold in India, made in India... So let's see. It is important that we get to see the fine print because there is so much information in the market right now..., so we will wait for exact details," Dhillon said.

He said the luxury car market is expected to grow at 5-7 per cent this year and not in double digits because of several geopolitical and macro-economic issues, and one of the major challenges

being currency fluctuation.

THE NEW SQ8

"Currency fluctuation has impacted us negatively. All the GST benefits that we got were passed on to customers; but you see, last year, between euro and rupee, the depreciation was about 19-20 per cent. Now the euro is hovering around ₹106-107. You can imagine, from January 2025, from about ₹90-odd, where it has reached now," he added.

Meanwhile, Audi launched the new SQ8 in India priced at ₹1,77,72,000 (ex-showroom). The SQ8 occupies a singular position in the Q8 line-up, blending commanding presence, exhilarating performance and everyday practicality in a single, highly versatile package, the company said.