

VW to Invest in EV Manufacturing in India

Auto co plans to deeply localise electric vehicles it introduces in the market after 2025

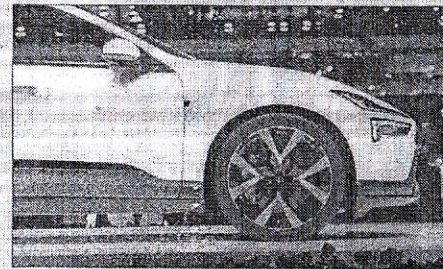
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Kochi: The Volkswagen Group is in the process of firming up fresh investments to manufacture elec-

tric vehicles (EVs) in India, besides other things such as capacity expansion, said a senior executive. The German company, which revived sales volume in the local market with the launch of new models under the India 2.0 strategy, is ready to launch its first EV, ID.4, in 2024.

While the ID.4 will be assembled from imported parts and components at the group's manufacturing facility in Aurangabad, Maharashtra, the company wants to deeply localise the EVs it introduces in the mainstream market after 2025.

Ashish Gupta, brand director, Volkswagen Passenger Cars, India declined to specify the quan-



tum of investment the group will make to manufacture EVs in India but said the priority is to localise to the extent possible to operate sustainably in the segment. As per industry estimates, localisation of an EV platform spawning two vehicles requires minimum investment of about ₹9,000 crore

(€1 billion). "You have to start doing it (planning) now to be able to bring a mass electric car, in the timelines that the industry is looking at somewhere in between 2026-27," Gupta told ET. "We are looking at similar timelines."

Overall, 46 electric vehicles are scheduled for launch in the Indian market over the next three-four years. Gupta said while the EV segment is growing faster than expected, electrification will "happen in steps" in the automotive sector as the ecosystem is not ready. "Unless mass localisation of battery manufacturing happens in India none of the OEMs, not only us, will be able to do mass electrification," he said.

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