

'ELECTRIFICATION IN INDIA TO PLAY OUT IN 3 PARTS'

Volkswagen to Bring EV ID.4 for a Test Drive

Co to import fully-built car to gauge consumer readiness and later consider local assembly

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New Delhi: German auto major Volkswagen will launch a fully imported electric car SUV ID.4 in India to test consumer readiness in the local market later this year.

Volkswagen Passenger Cars India brand director Ashish Gupta told ET that electrification is one of the company's priorities, both as a brand and as a group. The electrification plan plays out in three parts. The first part involves bringing some cars from our global portfolio into India, like the ID 4 as an FBU (fully built unit).

"That's a market introduction and testing of the market to see how our portfolio fits. The second part, through parts and components, involves local assembly for economies of scale and increased volumes. The third part, planned for 2026, is local electrification, as scaling up electrification involves localization."

Gupta declined to specify the details of electric cars the company is looking at launching but said Volkswagen wants to be a part of the transformation in the automotive landscape in India. "We want to be part of the inflection that happens in the Indian market. From creating an ecosystem and having manufacturing processes at the industrialization level, we plan to be a part of this transformation," he informed. About 82,000 electric vehicles were sold in the domestic market in CY2023.

So far, the penetration of electric vehicles in the local market has been on-track — about 3% by 2023. Gupta said, "Currently, the choice is limited, so there's limited scope for growth. When we all come with our mass-electrified products, it will give a boost to the market."

Carmakers have readied for launch as many as a dozen electric

Green Mile

Penetration of EVs in local market

3%



Dozen EVs ready for launch

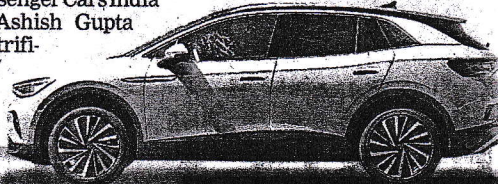
New launches expected to nearly double choice for consumers

18-30%

Estimated share of EVs in new car sales by end of the decade

1 million

Expected sales of electric cars in market every year by 2030



Volkswagen Group

Investments in India

€1 billion

PLANS: Localise the global MQB A0 vehicle platform

VJAY P

vehicles including Maruti Suzuki eVX, Tata Curvv, Skoda Enyaq, Kia EV9, Mahindra XUV e8 in the domestic market in the upcoming financial year.

This will be the highest number of product interventions in the segment and will nearly double the choice for consumers looking at driving home a battery-powered car.

Hardeep Singh Brar, national head (sales and marketing) at Kia India said, "Nearly half of all electric vehicles available in the market today are priced upwards of ₹40 lakh. There are only about half a dozen models priced up to ₹30 lakh, limiting options for customers in the mass market. As more electric cars come in at affordable prices over the next two years, charging stations come up, penetration will go up."

Industry estimates electric vehicles are likely to comprise 18-30% of new car sales by the end of the decade, depending on the pace of development of charging infrastructure. Even on a conservative basis, this would mean sales of nearly a million electric cars in the market every year by 2030.