

PROPOSED DUTIES ON FULLY BUILT VEHICLES TO BE LOWER THAN HALF

UK FTA to drive adoption of next-gen JLR EVs in India

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INDIA'S TRADE AGREEMENT with the UK will significantly benefit JLR in launching its battery electric vehicles (BEVs) in the country. However, the deal will not lead to any big changes in the prices of the luxury cars as they are already being assembled in India.

Jaguar Land Rover (JLR) assembles almost all its Land Rover nameplates including Range Rover, Range Rover Sport, Range Rover Evoque, Range Rover Velar, Discovery Sport at its Pune-based factory.

"JLR India is isolated from a duty structure, and that will continue. The FTA, however, helps a lot of our future cars that we would not necessarily have a completely knocked down (CKD) operation in India, particularly the BEVs," said Richard Molyneux, chief financial officer, JLR, in a post-earnings call.

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CRUISE MODE

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Prevailing duties on kits imported into India in a CKD form are likely to be kept unchanged under the Free Trade Agreement (FTA) while the proposed new duties on fully built vehicles will be more than halved.

From 110%, on cars priced more than \$40,000, duties are expected to come down to 50%. On cars priced below \$40,000, the duties could fall to 10% from 70%. Though Tesla has not revealed its India strategy yet, the

UK FTA will make JLR BEVs compete directly with the models of the US-based auto giant.

Although much smaller in size compared to some larger markets like the US, UK and China, India is one of the fastest growing emerging luxury automotive markets for JLR. Compared to FY24, JLR saw a volume growth of 40% in FY25 to 6,183 units, jumping to the third spot in the rankings, behind Mercedes-Benz and BMW, displacing

RICHARD MOLYNEUX,
CHIEF FINANCIAL OFFICER, JLR

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Audi.

"India is an important market; it is a very high growth market and our brands have a lot of affinity. So, we will absolutely leverage the FTA to increase our revenue and share of the HNIs wallets in India," Molyneux added. Alongside the Jaguar Type 00, JLR will launch the electric version of the Range Rover later in 2025. This will kick-start a series of new product launches featuring electric powertrains in the coming years.