

India should keep its focus on EVs: BMW senior V-P

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Strong hybrid or plug-in hybrid cars can be a stepping stone towards India's aim to reduce carbon emissions, but the country's focus should remain on electric vehicles (EVs) with regard to low taxes and incentives, a senior official of the BMW Group stated on Wednesday.

The German automobile firm sells 24 models in India — one plug-in hybrid car, six EVs, and 17 internal combustion engine (ICE) cars.

Plug-in hybrids can be used as a stepping stone towards full electrification in some cases, said Jean-Philippe Parain, senior vice-president at the BMW Group for various regions, including Asia-Pacific, Eastern Europe, Middle East and Africa. "Plug-in hybrids can be used for transition in some cases, where customers have to travel for longer distances, and want to be released from possible range anxiety. We are proposing this (plug-in hybrid) technology in many countries... but if I speak for India, I would say that the full focus should be on transition to BEVs (battery-run EVs),"



Plug-in hybrids can be used as a stepping stone towards full electrification in some cases, said Jean-Philippe Parain, senior vice-president at BMW Group

Parain told reporters here, after launching electric scooter CE 04, electric car Mini Countryman, ICE car Mini Cooper S, and ICE car 5 Series Long Wheelbase.

As India aims to be carbon neutral by 2070, automakers are divided over the best path ahead. Japanese giants like Maruti Suzuki and Toyota are pushing for tax cuts on strong hybrids, arguing that EVs alone can't carry the emissions

reduction load. But homegrown players like Tata Motors and Mahindra & Mahindra have opposed such tax cuts, insisting that only a full-throttle EV push can truly decarbonise India's roads.

The divide within the auto industry recently came to the fore after the July 5 order of the Uttar Pradesh government to waive registration tax of 8-10 per cent for strong hybrid and plug-in hybrid vehicles.

EVs in India are charged just 5 per cent GST vis-a-vis hybrid cars' 28 per cent. Parain said, "If you ask me, the strongest incentives from the state should be for EV adoption. That is where the effort is the biggest, especially in the beginning." BEVs in India are still a small market. "I think you can achieve more if you focus on one technology," he noted. In India, the BMW Group's car sales jumped by 21 per cent year-on-year (Y-o-Y) to 7,098 units in the first half of 2024, fuelled by high demand for its sports activity vehicles, luxury class and electric cars.

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