

Volvo Cars to manufacture electric vehicles in India

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New Delhi: Swedish luxury car major Volvo said on Wednesday that it will manufacture electric vehicles in India, while making a pitch for government benefits and incentives towards the cleaner cars.

Charles Frump, MD for Volvo Cars India, said the company — owned by China's Geely — wants to take a lead in the introduction of green technologies in India, especially with the government's focus on electrics and other cleaner solutions.

"This path that we have taken and that's what our ambition is," Frump said after the company drove in its entry SUVXC40, priced at Rs 39.9 lakh (ex-showroom). The car, which the company plans to

locally produce over the next few months, will compete with models such as BMW's X1, Mercedes' GLA and Audi's Q3. The company has plans to increase the number of models that it assembles in India, especially as it helps avoid the steep import and other duties that can go up to 180%. "We are committed to the 'Make in India' programme, and of course we will look at increased assembly (of cars) in India. It's only a matter of time."

The company, which sold a little over 2,000 cars last year, started assembling cars in India from a facility in Bengaluru that also produces Volvo trucks and buses.

Frump said to begin with, the company will start assembling plug-in hybrids in India. "While we are assemb-

ling the XC90 in India, the hybrid version is still being imported. We plan to assemble that as well." Volvo has given a global guidance to migrate and electrify its entire line-up beginning 2019, and will be unveiling an all-electric vehicle next year. Frump said the Indian subsidiary will also look at introducing the pure-electric vehicle, once it's launched globally.

The company, which began India operations in 2007, has been expanding its retail presence as well as model line-up to gain traction with luxury buyers. The market for luxury cars in India was estimated at over 40,000 units last year, and is led by Mercedes, which is followed by BMW and Audi. Tatas-owned JLR is in the fourth position.