

# Hyundai to Put More Money in Diesel as SUV Demand Soars

**BOOSTING SHOW** Diesel cars' share in Korean carmaker's sales at 26%; diesel SUVs in demand at premium end: exec

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**New Delhi:** Hyundai Motor, the second-biggest carmaker by sales in India, will continue to invest on boosting the performance of its diesel engines that power the Korean manufacturer's premium SUVs, drawn by undiminished demand for this vehicle body-type in the world's fourth-biggest automotive market where tighter emission norms are pushing up ownership costs.

"Diesel accounted for 26% of sales in our portfolio last year, which is similar to the ratio we registered pre-pandemic (prior to the transition to BS-VI norms)," Tarun Garg, chief operating officer (sales, marketing, service and product strategy), Hyundai Motor India, told ET. "With growing sales of SUVs, we are seeing a preference for diesel fuel at the more premium end of the market."

Garg was promoted

to his new role from January 1. Diesel variants account for 54% of sales of SUV Creta, 75% of sales of Alcazar and 72% of sales of Tucson, said Garg. The proportion is lower in entry SUV Venue — at 23%. Overall, SUVs constitute 53.3% of sales at Hyundai Motor India.

In the domestic market, the share of SUVs in overall passenger vehicle sales more than doubled to 42% in the past five years. Because of its pulling power, diesel has traditionally been the fuel of choice in this segment, especially at the higher end of the market.

Diesel variants contributed 64% to the volume in the mid-SUV segment and as much as 94% in high-end SUVs in fiscal 2021.

While the ratio remains broadly similar in high-end SUVs, diesel variants now comprise about half the sales in the mid-SUV segment.

## Market Play

Diesel variants share in sales

Creta	Alcazar	Tucson	Venue
54%	75%	72%	23%



**Q** Today, almost 45% of our sales come from vehicles priced over Rs 10 lakh...

**TARUN GARG**

Chief Operating Officer (Sales, Marketing, Service & Product Strategy), Hyundai Motor India