

# Accelerated CNG car adoption leads to strong FY25 sales

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The demand for CNG (compressed natural gas)-powered cars and SUVs remained strong in FY25. Maruti Suzuki led the charge, with one in every three vehicles sold running on CNG, while Tata Motors followed closely, with one in four.

Hyundai, too, experienced a notable surge in the share of CNG vehicles in its overall sales.

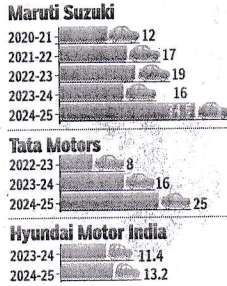
Economic and environmental factors continue to drive the growing preference for CNG vehicles.

Maruti Suzuki, the country's top carmaker, retained its dominance in the CNG segment, selling about 6.2 lakh CNG vehicles in FY25 — a 28 per cent increase from the previous year. The share of CNG vehicles in Maruti's total sales has surged over the years, from 12 per cent in FY21 to 34.5 per cent in FY25.

"As CNG is composed of 90 per cent methane (CH<sub>4</sub>),

## Rising demand

Share of CNG in total sales (%)



Source: Companies

it is inherently much cleaner than petrol or diesel, with four hydrogen atoms for every carbon atom.

"The government aims to increase the share of natural gas in the energy basket from around 7 to 15 per cent.

"Aligning with this, Maruti Suzuki has offered factory-fitted S-CNG vehicles. Consumers have responded positively to this shift toward cleaner mobility," said Rahul Bharti, Senior Executive Officer, Corporate Affairs, Maruti Suzuki India Ltd.



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Tata Motors also reported an impressive 50 per cent year-on-year growth in CNG vehicle sales, outpacing the industry in FY25.

The company's CNG penetration in overall sales increased to 25 per cent (139,218 units), up from 16 per cent (91,046 units) in FY24 and 8 per cent (40,994 units) in FY23.

A Tata Motors spokesperson highlighted the growing acceptance of emission-friendly fuels among customers seeking greener and

more cost-effective alternatives to petrol and diesel.

The company has expanded its CNG portfolio to include models such as the Tigor, Altroz, Punch, and Nexon.

He attributed the strong growth of CNG vehicle sales to a combination of factors, including its twin-CNG-cylinder technology, which improves boot space and convenience, while maintaining fuel efficiency.

Hyundai Motor India Ltd (HMIL), the country's second-largest passenger

vehicle maker, also saw a rise in CNG adoption, with penetration in domestic sales increasing to 13.2 per cent in FY25 from 11.4 per cent in FY24.

Tarun Garg, Whole-time Director & COO at Hyundai, credited this growth to the introduction of Hy-CNG Duo technology in 2024.

"Currently, HMIL offers Hy-CNG technology in three models — the AURA, along with the Grand i10 NIOS and Exter (Hy-CNG Duo). Across these models, the consolidated CNG share rose to 40.7 per cent in FY25, up from 35.7 per cent in FY24," he said.

CNG adoption has also extended to the upper-end vehicle segment, with launches of CNG variants of top-selling SUVs.

Maruti has reported strong demand for CNG versions of the Brezza and Ertiga. Tata Motors noted that offering CNG in top variants with premium features such as sun-roofs has helped position these vehicles as aspirational choices rather than just economical alternatives.