

Indian firms racing past Korean peers in SUV race

VARUN SINGH
New Delhi, August 24

A WIDER PORTFOLIO with feature-loaded models having higher safety ratings has enabled Indian original equipment manufacturers (OEMs) like Tata Motors and Mahindra to march past Korean companies like Hyundai and Kia in the sport utility vehicle (SUV) segment during the first seven months of CY22.

From January to July, the passenger vehicle (PV) segment recorded total volumes of 2,187,543 units. The SUV sales have stood at 892,928 units during this period, translating into a share of 40.82% in the segment. Tata Motors clocked sales of 202,235 units at a share of 22.65%, according to data from automotive analytics and consulting firm JATO Dynamics. It is followed by Mahindra with sales of 176,995 units with a share of 19.82%.

The industry experts *FE* spoke with said that the recent offerings from the two homegrown OEMs have shattered the image perception as well as improved the quality concerns and brand value in a big way, especially Tata Motors. "Customers are no longer worried about owning a Tata or a Mahindra product. So, now the competition for OEMs from other regions has become tougher," said an expert who did not wish to be named.

He also said that Tata Motors and Mahindra have more models in the SUV space than their Korean counterparts do.

Industry volumes

January-July CY22 (units)

Total 2,187,543



SUVs 892,928

Market share (%) **40.82**

5 best-selling SUVs

Tata		Hyundai		Tata		Hyundai		Maruti Suzuki	
Nexon		Creta		Punch		Venue		Brezza	
96,984		80,046		71,939		69,822		67,460	

Source: JATO Dynamics

"Tata Punch is presented as a small SUV and has found wide acceptance among young buyers looking for an SUV-ish car at a lower price point," he added.

Tata Motors sells SUVs like the Punch, Nexon, Harrier and Safari. Mahindra's SUV portfolio has the Bolero, Bolero Neo, XUV300 Thar, Scorpio and XUV700.

While Hyundai has sold 168,242 units in this period and enjoyed a market share

SUV volumes and market share of top 5 OEMs

January-July CY22 (units) Market share (%)

Tata Motors	M&M	Hyundai	Kia	Maruti
202,235	176,995	168,242	104,779	78,448
22.65	19.82	18.84	11.73	8.78

of 18.84%, its sister company Kia has witnessed volumes of 104,779 units with a segment share of 11.73%. The country's largest carmaker, Maruti Suzuki, has sold only 78,448 SUVs in the first seven months of CY22, accounting for a share of 8.78%.

Hyundai sells SUVs like the Venue, Creta, Alcazar, Kona EV and Tucson in India, while Kia's SUV portfolio includes Sonet and Seltos. With the S-Cross recently

discontinued, Maruti Suzuki offers a sole SUV in the form of Brezza at present. However, it will soon expand its SUV portfolio with the launch of the Grand Vitara.

Hyundai was the SUV segment leader in CY20 and CY21 selling 180,237 units and 252,586 units, respectively.

Another expert said that Tata Motors and Mahindra have started offering more features in their SUVs now to attract young and tech-savvy customers. He also said that more customers are now going for vehicles with higher safety ratings, which has worked in favour of these two companies.

The Punch and Nexon, and XUV300 and XUV700 have been awarded a full, five-star safety rating in the adult occupant protection category by the Global NCAP (New Car Assessment Programme). In the same category, Hyundai's Creta and Kia's Seltos have scored only three stars. From January to July, Nexon has been the highest selling SUV in India at 96,984 units, followed by Creta at 80,046 units, Punch at 71,939 units, Venue at 69,822 units and Brezza (earlier called Vitara Brezza) at 67,460 units.

JATO Dynamics India president Ravi Bhatia said that while the battle for the SUV leadership is heating up quickly with Tata Motors at the forefront at present, Maruti Suzuki might be able to give others a strong challenge in the next three years as it is planning to launch more SUVs. "We expect that Tata Motors, Mahindra and Maruti Suzuki will emerge as the top players (in the SUV segment) in the next three years," he added.