

NEW EMISSION NORMS BRING DOWN CURTAINS ON SOME MODELS

Discount push for cars at the end of the road

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TOUGHER EMISSION NORMS from April 1 and changes in product strategies has led to more than a dozen models and variants being phased out from production lines, forcing manufacturers and dealers to offer hefty discounts to liquidate unsold stock.

Certain models of Maruti Suzuki, Honda, Mahindra & Mahindra, Renault, Nissan, Skoda Auto and Hyundai won't be carried into the new emission regime, which requires carmakers to achieve emission targets in real-world conditions and not just in a testing environment or laboratory.

Direct cash discounts bundled with consumer offers such as corporate discounts and vehicle exchanges,

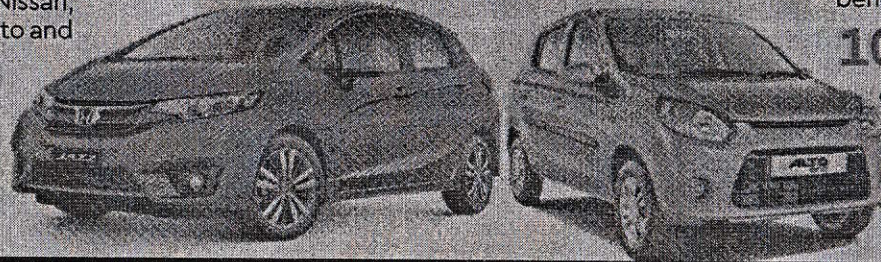
ON THE WAY OUT

■ Some models of Maruti Suzuki, Honda, Mahindra & Mahindra, Renault, Nissan, Skoda Auto and Hyundai won't be carried into the new emission regime

push the benefits to 10-11% of the cost of the vehicle. The normal discounting level that carmakers resort to is 3.5-5%.

Car market leader Maruti Suzuki will phase out the 800cc variant of the Alto, bringing down the curtains

■ Maruti Suzuki will phase out the 800cc variant of the Alto, while Honda is discontinuing Jazz, WR-V, 4th Generation City and diesel variants of Amaze and 5th Generation City



■ Manufacturers and dealers are offering cash discounts and benefits totalling

10-11%

of the cost of the vehicle, against the normal **3.5-5%**

Delhi-based company launched a facelifted variant of the Alto, featuring a 1000cc engine.

The biggest change by any carmaker in India would be from Honda Cars. The Japanese brand will be phasing out five models and variants from

its line-up, leaving just two. Jazz, WR-V, 4th Generation City and the diesel variants of Amaze and 5th Generation City are on their way out.

The large hatchback Honda WR-V is carrying offers of up to ₹72,000, considered to be an all-time high discount for the company. While both the 4th Generation City and the Jazz are nearly stocked out, the Jazz has a discount of ₹15,000.

The company's makeover of its product offering, however, is not just because of the new emission norms, but also due to the end of lifecycle of a couple of products. For instance, the new WR-V has already been launched in some countries. Honda, however, wants to focus on electric and hybrid cars for India and is not considering the WR-V for the country for now.

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Like Maruti Suzuki, French car brand Renault has also discontinued the production of the 800cc version of its compact hatchback Kwid for the Indian market. The company is offering a ₹52,000 discount on the model, translating to more than 10% of the car's cost.

Renault's Japanese partner in India, Nissan, is offering a ₹62,000 discount on the SUV Kicks, which will be phased out soon. This will leave the struggling company with just one model in India: the Magnite. Skoda Auto's Octavia and Superb and Hyundai's i20 diesel are the other models which will be phased out.

"Manufacturers have worked to reduce diesel products in their portfolio because of the emission norms, which will be very harsh for diesel models. We do not have total clarity from the government on how the penalties will be imposed in the case of manufacturers not meeting the norms. The stock levels with the dealers, however, will be minimal by the time we hit the deadline," said a Mumbai-based analyst.