

Honda Cars looks to launch SUV this festive season

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JAPANESE CARMAKER HONDA CARS has said its proposed sport utility vehicle (SUV) will be launched in India in the festival season this year or in the first half of FY24. It added that its overall production capacity could be increased to 200,000 units per year from the current 180,000.

As part of its portfolio restructuring exercise, the company will be launching a new car every year for the next five years and look at increasing the market share.

Honda Cars said its focus will be on premium products and services. It introduced the new Honda City earlier this month. Yuichi Murata, director, marketing & sales, Honda Cars India (HCIL), told *EE* on the sidelines of an event in Chennai. He further said the company hopes to close the current fiscal with around 90,000 units of domestic sales, which could be around 8% growth against last year. The second half of the next fiscal could see around 30% growth in sales as they would be launching its new SUV in the country, he added.

"City is the strongest pillar of business and synonymous to our presence in India. As India is the lead market for the City, the new version was first launched in India. Most importantly, HCIL is now expanding the application of Honda Sensing - our advanced driver assist system to the petrol model as well. The Honda Sensing was first introduced with Honda City e:HEV last year.. This technology will be available in majority of the variants of Honda City now," he said.

The City e:HEV is also being expanded by introduction of a new variant which is at ₹1 lakh lesser price point than the current ZX variant.

Kunal Behl, vice-president, marketing & sales, HCIL, said around 95% localisation has been achieved in City production. "For hybrid, there may be more parts coming from outside," he said.

Currently, the company has a 60% capacity utilisation. It has a manufacturing facility at Tapukara in Rajasthan.