



Honda Cars India introduces Innovative SMART Auto Loan for its customers with TranzLease

New Delhi, December 16, 2019: Honda Cars India Ltd, leading manufacturer of premium cars in India, has tied up with TranzLease to launch a unique and industry first offering for consumers to own and use their dream car conveniently. The company has introduced SMART EMI, a next generation auto finance solution for its customers which will take care of the finance, registration, insurance and maintenance requirement of the vehicle during the financing period.

The SMART EMI allows car owners complete peace of mind at a lower cost along with guaranteed resale value at the end of tenure with an option to retain or sell the car. The customers can retain the car at the end of the tenure by making payment of agreed resale value or simply return the car to the leasing company. There are provisions of guaranteed bonus and even Good Drive Bonus at the end of the financing tenure. The amount of SMART EMI is much lower than regular car loan EMI as the estimated resale value of the car is deducted upfront.

*Speaking about the innovative auto finance solution, **Mr. Rajesh Goel, Senior Vice President and Director, Marketing & Sales, Honda Cars India Ltd** said, “Honda is committed to provide innovative ownership solutions with evolving customer preferences. The first of its kind SMART EMI option now makes it easier and convenient for the consumer to enjoy the Honda range of cars in a unique financing option.”*

***Mr. Anindya Chakraborty, MD & CEO, TranzLease** says “In today’s age where consumers want a car but uneasy about the associated hassles, risks, cost of ownership, SMART EMI comes as a solution that allows the love of car without the chaos – SMART EMI blends the best features of auto loan, auto lease and subscription model to create a true fit for the Indian car buyer.”*

Initially, customers in Delhi – NCR and Mumbai can avail this facility to buy their favourite Honda car and it will soon be available in Pune, Bengaluru, Hyderabad and Chennai. The customer can approach any Honda dealer in these cities to avail this facility. Based on the response in major cities, the solution will be rolled out on pan India basis. Post-delivery of the car, ‘SMART EMI’ provides customers with a personalized car portal through which the customer can manage the entire car life-cycle from the date of purchase to the end of tenure.

About SMART EMI

SMART EMI is being brought to the market jointly by TranzLease Holdings India Pvt Ltd (a niche provider of automobile leasing and mobility solutions in India since 2006) and ICICI Bank, which is one of the leading banks in India and one of the most prominent players in auto loans. SMART EMI blends the best of ICICI auto loan with a host of services that creates a 360-degree car financing platform. **SMART EMI provides car finance, registration, insurance, maintenance and disposal of the car all in a single EMI which is cost effective and hassle free.**

It is SMART as it reduces the EMI to the consumer as compared to simple auto-loan EMI. SMART EMI is inclusive of full tenure insurance and comprehensive maintenance and gives complete protection from risk arising out of insurance tariff fluctuations, unforeseen maintenance costs and fluctuation in resale value of cars.



Illustration of how SMART EMI works for a Honda CITY Petrol BSVI (Model – ZX CVT) *

Particulars	SMART EMI *	Traditional Loan *
Tenor of car usage	36	36
EMI that consumer pays	32,801/-	41,390/-
Full tenure comprehensive insurance	Included	Pay separately
Full tenure comprehensive maintenance **does not include Tyre and Battery	Included	Pay separately
Risk Cover from:		
- Unbudgeted maintenance cost	Cover	No cover
- Risk of fluctuation in resale value	Full cover	No cover
End of tenure options	Buy Back / Surrender	Sale on your own
Surrender Bonus	Available	Not applicable
Online car lifecycle management	Full digital platform	Not available

* table is for illustrative purposes (Delhi) only;

Additionally, SMART EMI offers features like end of tenure Bonuses, referral benefits that are quite substantial. Another attraction is the end of contract Flexi Ownership option in which consumer can either own the car at the end of the tenure by making a certain predefined and agreed bullet payment or can simply return the car with all surplus over the estimated resale value going back to the consumer.

Even the maintenance of the car which is included in SMART EMI is quite different than traditional Annual Maintenance Contracts and includes both periodic and non-periodic running / general repairs and thus takes away one of the main worries of car ownership. It takes care of buyer's apprehension on maintenance cost during the usage period and also the resale value of the car after the ownership. In short, it takes away all the financial risks and brings back the joy of owning a car without the associated hassles.

The SMART EMI program is offered through a fully tech enabled platform wherein the customer can select any of the Honda cars and look at various EMI options including comparison with traditional auto loan offerings and finally book the car. Even post-delivery of the car, SMART EMI provides customers with a personalized car portal through which the consumer can manage the entire car life cycle from the day of purchase to day of contract closure.

About Honda Cars India Ltd

Honda Cars India Ltd. (HCIL), a leading manufacturer of premium cars in India, was established in December 1995 with a commitment to provide Honda's latest passenger car models and technologies, to the Indian customers. HCIL has two state-of-the-art manufacturing facilities at Greater Noida, U.P and at Tapukara, Distt. Alwar, Rajasthan.

The company's product range includes Honda Jazz, Honda Amaze, Honda WR-V, Honda BR-V, Honda City, Honda Civic and Honda CR-V, which are manufactured in India. The Accord Hybrid is sold as a Completely Built Unit (CBU) imported from Thailand. Honda's models are strongly associated with advanced design and technology, apart from their established qualities of durability, reliability and fuel-efficiency. The company has a strong sales and distribution network with 378 facilities in 266 cities across spread across the country.

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