

Nissan to recall 150,000 cars due to improper checks

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The latest recall represents another blow to Nissan, which has been rocked since the arrest of its former chairman Carlos Ghosn

Nissan Friday announced plans to recall approximately 150,000 vehicles owing to improper tests on new units, dealing a fresh blow to the

Japanese car giant following the shock arrest of former chairman Carlos Ghosn.

"Nissan has recently found several non-conformities that may have caused inaccurate pass/fail judgements during the inspection process," the company said in a statement, adding it would "promptly" recall as many as 150,000 units in Japan.

It confirmed that improper tests were carried out on brakes, speedometers and other systems before shipment at its domestic assembly plant.

The recall will cover around 10 models including Note hatchbacks and Leaf electric vehicles as well as March and Cube compact cars produced between November 2017 and October this year.

Nissan plans to notify authorities of the recall on Thursday, it added.

Nissan vice president Seiji Honda said the company was reviewing internal systems for its regulatory compliance.

"We will work hard to regain the trust of the parties concerned," Honda told a news conference.

The manufacturer was forced to recall more than one million vehicles last year after admitting staff without proper authorisation had conducted final inspections on some units intended for the domestic market before they were shipped to dealers.

In a separate case that erupted in July, Nissan admitted data on exhaust emissions and fuel economy had been deliberately "altered", hampering its efforts to recover trust after the inspection scandal.

Asked if excessive cost-cutting measures under Ghosn—who earned the nickname "Le Cost Killer" in France—may have resulted in the improper checks, Honda said: "In a way, maybe."



Nissan vice president Seiji Honda (R, with vice president Teiji Hirata) says the company will work hard to regain trust

But he added: "We have not established any link between that and our latest problem with inspections."

The latest recall represents another blow to the company, which has been rocked since Ghosn was arrested on November 19 on allegations he under-reported his salary by millions of dollars over five years.

Ghosn denies any wrongdoing.

Tokyo prosecutors have decided to indict Nissan as well as Ghosn and another executive as early as next week over alleged financial misconduct, a report said Friday.

The report comes amid speculation that Ghosn and his right-hand man Greg Kelly will face new allegations related to under-reporting of the auto titan's compensation.

The Nikkei business daily reported that Ghosn and Kelly would likely be indicted on those allegations as soon as Monday, when their current detention period expires.

The daily said prosecutors had decided that Nissan was also responsible for the alleged financial wrongdoing and would bring charges against the firm.

In Japan, Ghosn was celebrated as a charismatic business leader who saved Nissan from the brink of failure and rebuilt it as a money-maker in the alliance with Renault.

But since his shock arrest, he has been removed from the boards of Nissan and Mitsubishi Motors.

Nissan has begun the process of choosing Ghosn's successor, with the final decision expected on December 17.

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