MARUTI SUZUKI
Way of Life!

MSIL: COS: NSE&BSE: 2019

01st August, 2019

Vice President
National Stock Exchange of India Limited
"Exchange Plaza", Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

General Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Sub: Notice of 38th Annual General Meeting and Annual Report for the financial year 2018-19

Dear Sir,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Notice of 38th Annual General Meeting and Annual Report of the Company for financial year 2018-19.

Kindly take the same on record.

Thanking you,
Yours truly,

For **Maruti Suzuki India Limited**

Sanjeev Grover
Vice President &
Company Secretary

Encl: As above

MARUTI SUZUKI INDIA LIMITED
CIN: L34103DL1981PLC011375

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Maruti Suzuki India Limited,
1 Nelson Mandela Road, Vasant Kunj,
New Delhi 110070, India.
Tel: 011-46781000, Fax: 011-46150275/46150276
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Maruti Suzuki India Limited,
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Gurgaon 122015, Haryana, India.
Tel. 0124-2346721, Fax: 0124-2341304

Manesar Plant:
Maruti Suzuki India Limited,
Plot No.1, Phase 3A, IMT Manesar,
Gurgaon 122051, Haryana, India.
Tel: 0124-4884000, Fax: 0124-4884199

E-mail: investor@maruti.co.in, contact@maruti.co.in

MARUTI SUZUKI

Way of Life!

21,000,000+ CUSTOMERS

INTEGRATED REPORT
2018-19

REPORT PROFILE

Maruti Suzuki India Limited (hereafter referred to as 'MSIL' or the 'Company') is pleased to present its 38th Annual Report for the financial year 2018-19 (1st April, 2018 to 31st March, 2019, or the 'reporting period'). During the reporting period, the Company has transitioned to the Integrated Reporting Framework (referred to as <IR> framework) developed by the International Integrated Reporting Council (IIRC). The Securities and Exchange Board of India (SEBI) has advised top 500 listed companies to voluntarily adopt Integrated Reporting for disclosure of financial and non-financial information. This report intends to serve as a concise communication about the Company's thoughts on business, governance, performance (financial and non-financial) and prospects in the context of its external environment.

The financial information presented in this report complies with the financial and statutory data requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards. It has undergone independent assurance by Deloitte Haskins & Sells LLP.

The non-financial information presented in this report is based on the sustainability reporting standards of the Global Reporting Initiative (GRI Standards), and has undergone independent assurance by DNV GL Business Assurance India Private Limited. This information covers the manufacturing facilities at Gurugram and Manesar, Research & Development (R&D) facility at Rohtak, Head Office at New Delhi, regional, zonal and area offices across India, sales and distribution facilities and stockyards. Joint ventures and subsidiaries are excluded. There was no significant change in scope and boundaries of the GRI-based disclosures from the previous reporting period. The non-financial information presented in this report is based on calculation methodologies conforming to globally accepted standards. The assumptions, exclusions and restatements have been included wherever applicable.

The report also describes the alignment of the Company's performance to the United Nations' Sustainable Development Goals (SDGs).

Additionally, the report is aligned with the Ten Principles of the United Nations Global Compact (UNGC) and the National Voluntary Guidelines on Social, Environmental and Economic (NVG-SEE) Responsibilities of Businesses in India issued by the Ministry of Corporate Affairs, Government of India.

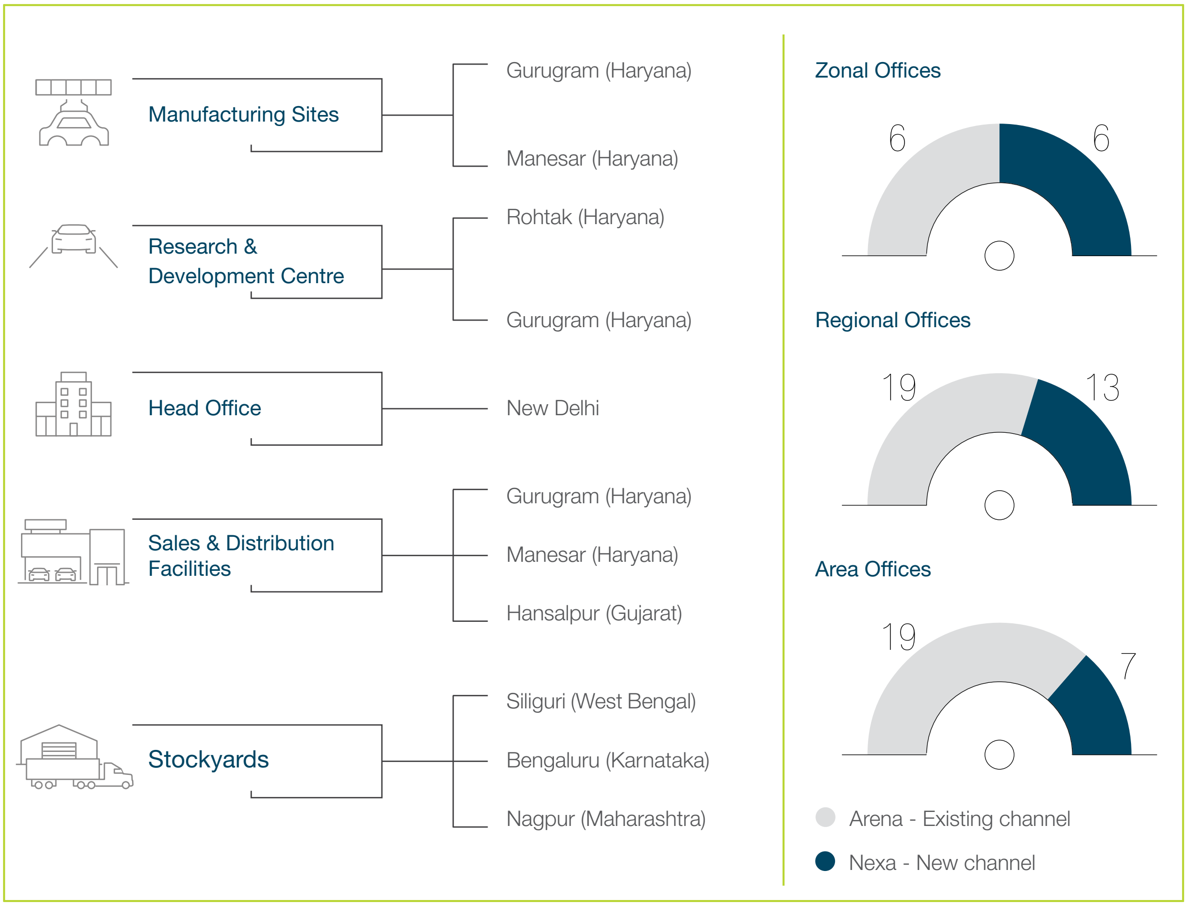
Corporate Overview


S.CROSS

Company Profile

The Company was established in 1981. A joint venture agreement was signed between the Government of India and Suzuki Motor Corporation (SMC), Japan in 1982. The Company became a subsidiary of SMC in 2002. In terms of production volume and sales, the Company is now SMC's largest subsidiary. SMC currently holds 56.21% of its equity stake. It is a public limited company and its shares are traded at the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

FACILITIES IN INDIA

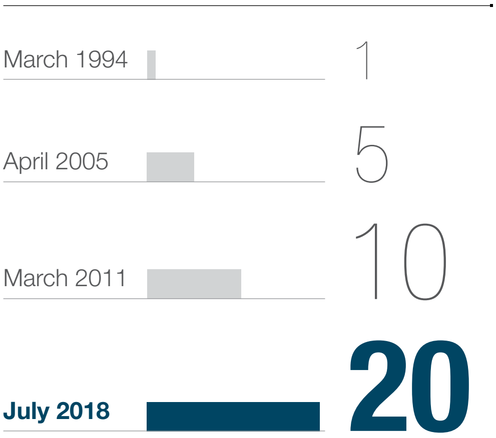


Production Capacity

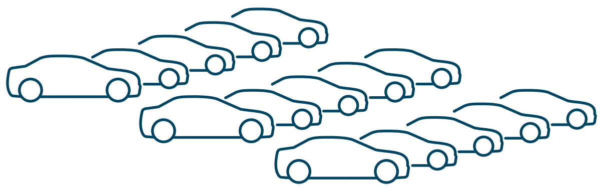
The Company has two state-of-the-art manufacturing facilities located in Gurugram and Manesar in Haryana, with a combined annual production capacity of ~1.58 million units per annum. Highly efficient lean manufacturing processes together with a skilled and motivated workforce leads to the manufacture of reliable and quality products.

Suzuki Motor Gujarat Private Limited (SMG), a subsidiary of SMC, was set up in Hansalpur, Gujarat to cater to the increasing market demand for the Company's products and has been operational since 2017. Through this new facility, an additional annual production capacity of 0.5 million units has been made available, thereby taking the combined production capacity to a little over two million units. The SMG facility is in the process of expanding production capacity to 0.75 million units by the year 2020. The Company is responsible for the sales and distribution of units produced at the SMG facility in Gujarat.

Cumulative Production (million units)

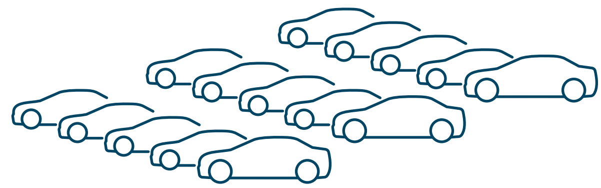


First 10 million units in



27 years

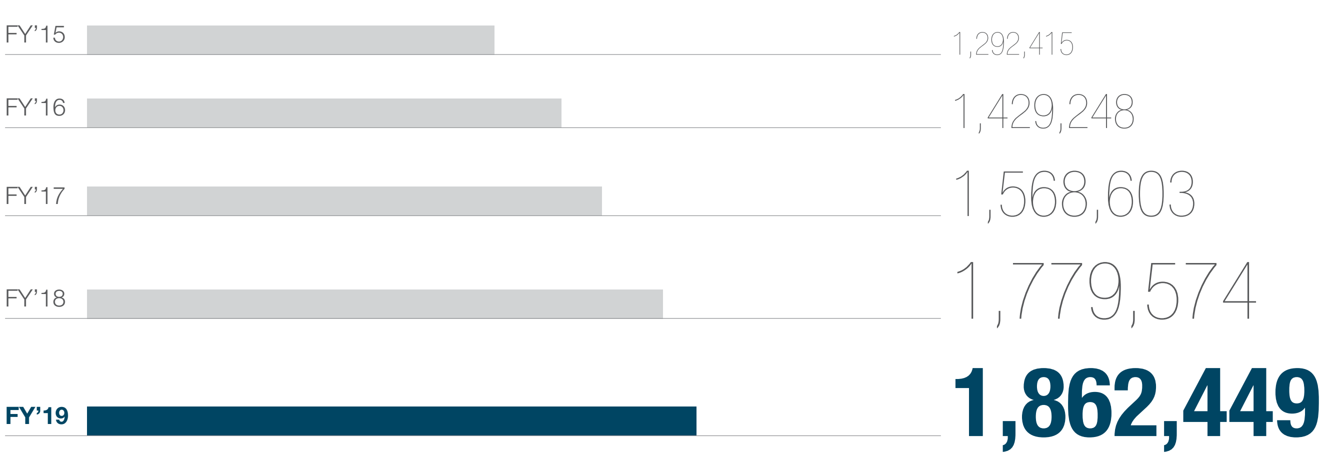
Next 10 million units in



less than 8 years

Roll-out of 20 millionth vehicle from the Company's manufacturing facility

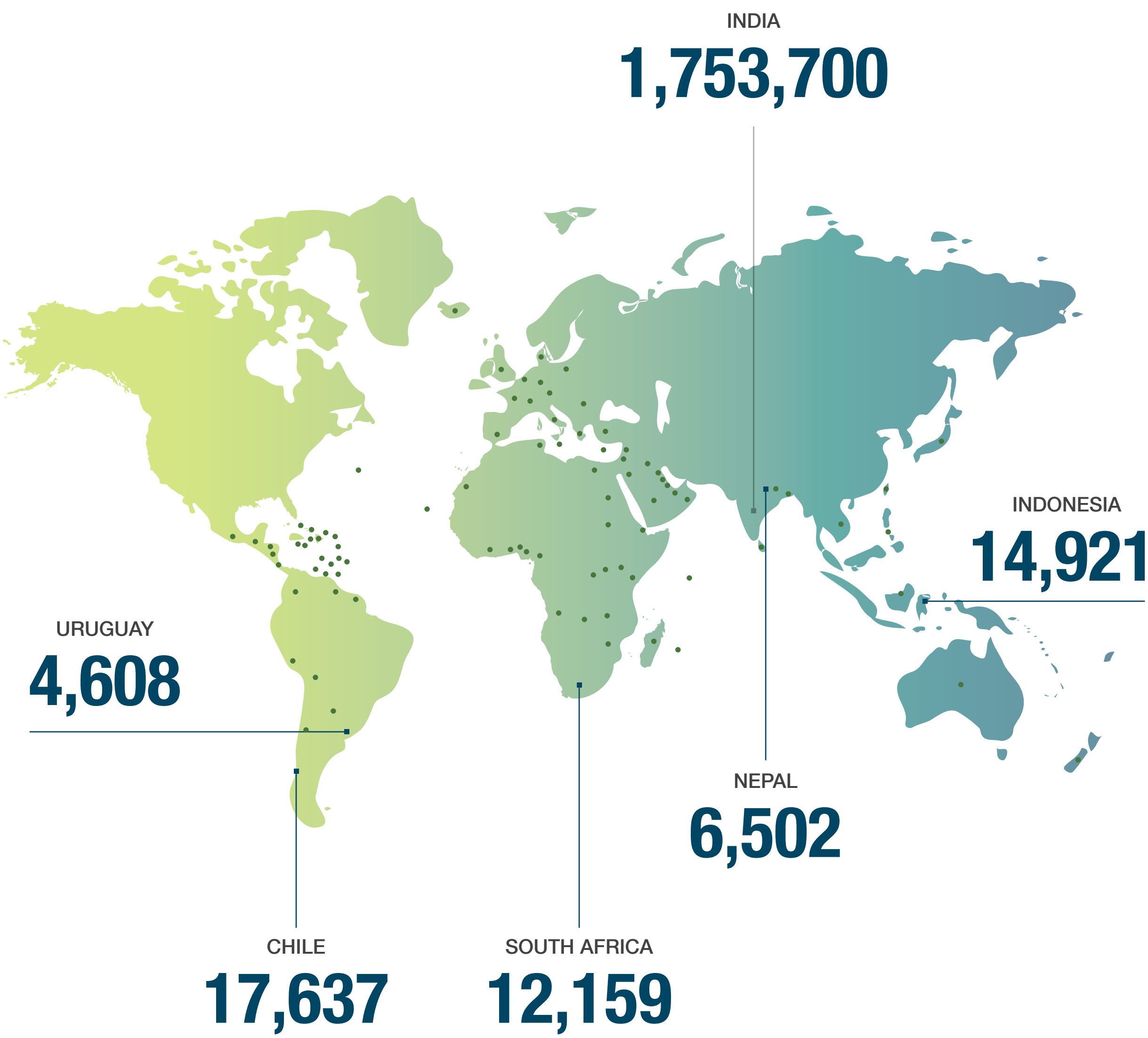
Unit Sales (Domestic and Export)



Figures include vehicles produced by SMG and supplied to the Company as per the contract manufacturing agreement

GLOBAL MARKETS SERVED (BY GEOGRAPHY)

Market leader in passenger vehicle segment in India



Exports to 95 countries

- Top 5 countries for exports
- Other countries for exports

Figures indicate sales in 2018-19

SALES AND SERVICE CHANNELS IN INDIA

Sales Channels

MARUTI SUZUKI ARENA

A youthful and modern destination that provides a dynamic, trendy, social and connected new-age car buying experience

2,264

1,859

NEXA

Premium sales channel targeted at new customer segments offering global buying experience, innovative technology and enhanced hospitality

360

204

TRUE VALUE

Trusted destination for buyers of pre-owned cars at fair and transparent prices

1,252

942

COMMERCIAL

Fastest growing automobile retail channel in India

310

230

Service Channels

Extensive network for vehicle servicing, including value-added services such as Maruti Mobile Support vehicles, on-road assistance and Quick Response Team

3,614

1,784

Maruti Mobile Support vehicles

1,398

Vehicles deployed for quick response

765

Outlets

Cities

SUPPORTING PRODUCTS AND SERVICES OFFERED

In association with its subsidiaries and business partners, the Company also offers an array of supportive products and services to its customers which has helped generate and retain customer loyalty.

SUPPORTING PRODUCTS AND SERVICES

Maruti Genuine Accessories

High-quality accessories at reasonable rates approved and certified by the Company for their compatibility with the various models

Maruti Driving School

World-class driving training using advanced simulators

Maruti Insurance

Single window for cashless accident repairs, hassle free services and easy claim settlement

Maruti Auto Card

Unique loyalty reward programme designed exclusively for the Company's customers

Maruti Genuine Parts

Quality spare parts for ensuring longevity and performance of vehicle, and safety of passengers

Maruti True Value

Transforming buying experience of a pre-owned car

Maruti Finance

Partnering with banks and Non-Banking Financial Corporations to provide easy availability of finance

Product Portfolio

NEXA

BALENO

CIAZ

MARUTI SUZUKI ARENA

DZIRE

VITARA BREZZA

WAGONR

ALTO 800

EECO

GYPSY

S-CROSS

IGNIS

ERTIGA

SWIFT

ALTO K10

CELERIO

SUPER CARRY*

*Super Carry is sold through Commercial Channel

Performance Highlights 2018-19

FINANCIAL CAPITAL

The Company's growth strategy, along with disciplined allocation of capital has led to sustained financial returns.

Op. EBIT (%) **9.6**	PAT margin (%) **9.0**	ROE (%) **17.1**
ROCE (%) **23.8**	Dividend payout ratio (%) **38.8**	Book value per share (₹) **1,527**

MANUFACTURED CAPITAL

The Company uses state-of-the-art facilities and highly efficient lean manufacturing processes to manufacture reliable and quality products.

Production capacity **2,076,000 units** Including SMG	Vehicles sold **1,862,449 units**

INTELLECTUAL CAPITAL

With the product and technology licenses received from Suzuki Motor Corporation, the Company could offer relevant products in the Indian market.

New models **2**	Facelift models **2**	R&D spend (₹) **7,128 million**
Patents filed / granted **100/12**	Designs filed / registered **35/54**	R&D engineers **1,600**

HUMAN CAPITAL

The Company is focused on developing the skills, competencies, health, safety and wellbeing of its human resources, so that they may be optimally leveraged for creation of value across other capitals.

Fatalities **Nil**	Lost-time injuries **Nil**	Unionised workforce **~100%**

Total training person-hours **1,196,822** (16% increase)	Employee benefit expenses (₹) **32,549 million**

SOCIAL AND RELATIONSHIP CAPITAL

The Company strives to maintain mutually respectful and beneficial relationships with its stakeholders such as customers, value chain partners, local communities and government, creating a favourable environment for business.

Sales outlets added
316

Service centres added
211

Sales staff trained
50,000 +

Service staff trained
130,000 +

Service training facilities
170
(ten-fold increase)

Customers touched through sales and service connect activities
20 million +

CSR spend (₹)
1,541 million

NATURAL CAPITAL

The Company strives to reduce the impact of its products and services on the environment through sustainable use of natural resources and responsible waste, wastewater and emission management practices.

End-of-Life Vehicle management (ELV)
New WagonR meets ELV norms ahead of regulations

Ground water consumption
Nearly eliminated

Water demand met through recycled water
62%

Renewable energy initiative
5 MW
solar plant being set-up

Water saved through Dry Wash Systems at service workshops
996 litres
per workshop per day

Cumulative CO_2 emissions saved by in-use alternate fuel driven vehicles since 2005-06
1,006,511 tonnes

CO_2 emission reduction in new and facelift models by design
4-21%
across models

Awards and Accolades

Company of the Year, 2018

for Excellent Business Performance from Business Standard

Kenichi Ayukawa, MD and CEO, for

Best CEO

Large Companies, 2019 from Business Today (third time in a row)

R. C. Bhargava, Chairman, honoured with

Lifetime Achievement Award

at the CNBC - Awaaz Annual CEO Awards, 2018

Swift - Indian Car of the Year

(ICOTY), 2019

Ertiga - Car of the Year and MPV of the Year

at the Autocar Awards, 2018

Swift and Ertiga -

Premium Hatchback of the Year and Best MPV of the Year

respectively at the Car India Awards, 2019

Swift and Ertiga -

Car of the Year and Best MPV of the Year

respectively at the Auto Portal Annual Awards, 2018

National Safety Award, 2018

for Excellence in Industrial Safety in the automobile category, by Ministry of Labour and Employment, Government of India

Platinum Safety Award

for Excellence in Safety Systems at the 7th FICCI Safety Systems Excellence Awards, 2018

Greentech Safety Platinum Award, 2019

for outstanding achievements in safety management in the automobile sector

Frost & Sullivan and TERI's Sustainability 4.0 Award for Leaders

Mega Large Business in Automotive Sector, 2018

Platinum Certificate

for Best CSR Practices in Haryana at the First Haryana CSR Summit, 2018

Commendation for Significant Achievement

at the CII - ITC Sustainability Awards, 2018

Gold Trophy

in the category of Best ITI - Skill Development through PPP Model (second time in a row) at the ASSOCHAM's Skilling India Awards, 2018

4 Good rating

by The Economic Times 2 Good 4 Good CSR rating scheme, 2019

Corporate Overview

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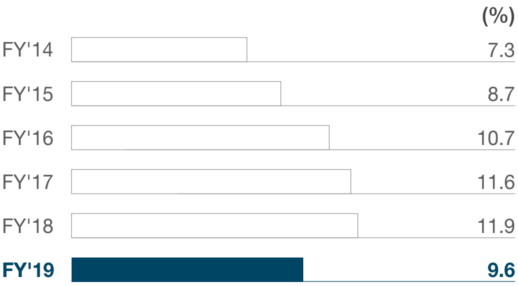
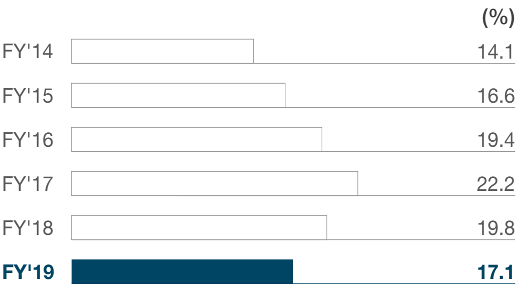
Board of Directors
Executive Management Team

Key Figures

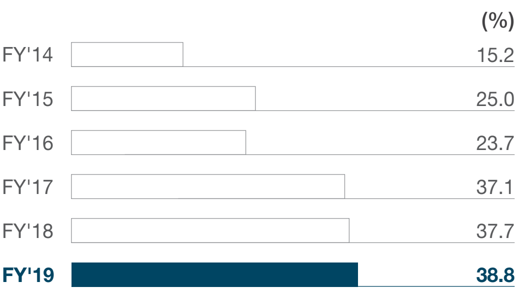
Op. EBIT



ROE



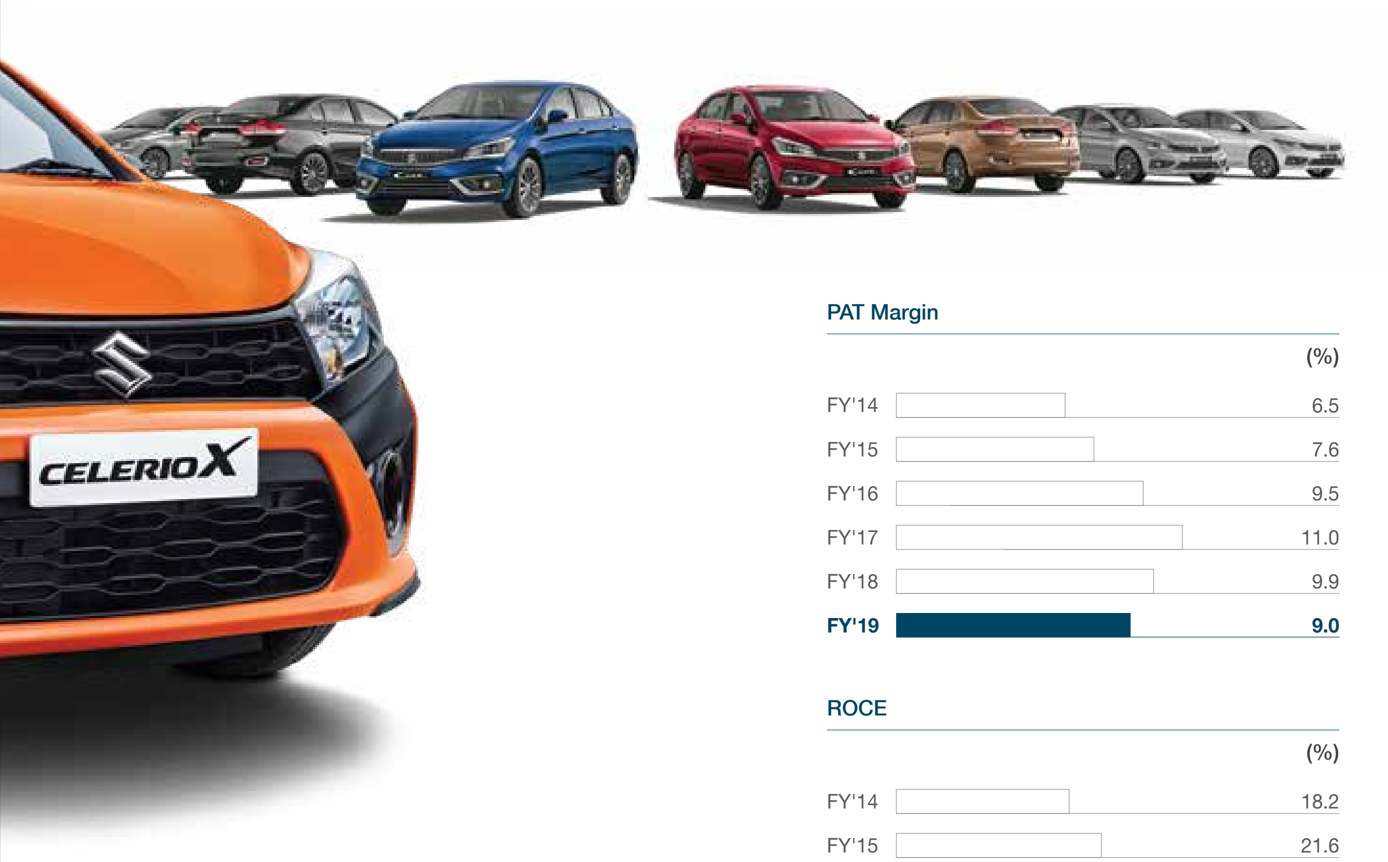
Dividend Payout Ratio



5-year Performance Summary (₹ million)

PARAMETERS	FY'14	FY'15	FY'16	FY'17	FY'18	FY'19	FY'19/18 (% CHANGE)
Net Sales	426,448	486,055	564,412	669,094	781,048	830,265	6.3
Op. EBIT	31,027	42,426	60,642	77,496	93,036	79,804	-14.2
PBT	36,585	48,682	74,437	99,603	1,10,034	1,04,656	-4.9
PAT	27,830	37,112	53,643	73,502	77,218	75,006	-2.9
EPS (₹)	92	123	178	243	256	248	-2.9
Dividend Per Share (₹)	12	25	35	75	80	80	-
Net Worth	209,780	237,042	298,842	364,311	417,573	461,415	10.5
Current Liabilities	81,381	88,213	110,392	132,264	154,421	141,503	-8.4
Total Liabilities	96,217	98,451	120,558	148,195	176,128	167,903	-4.7
Non-current Assets	164,083	253,531	340,940	424,744	514,487	505,702	-1.7
Current Assets	141,914	81,962	78,460	87,762	79,214	123,616	56.1
Total Assets	305,997	335,493	419,400	512,506	593,701	629,318	6.0
Operating Cash Flow	49,036	63,207	84,845	102,793	117,850	65,932	-44.1
Free Cash Flow	14,109	31,720	58,518	69,070	79,197	18,932	-76.1

Note: FY'16, FY'17 and FY'18 figures are as per Ind-AS.



PAT Margin

	(%)
FY'14	6.5
FY'15	7.6
FY'16	9.5
FY'17	11.0
FY'18	9.9
FY'19	**9.0**

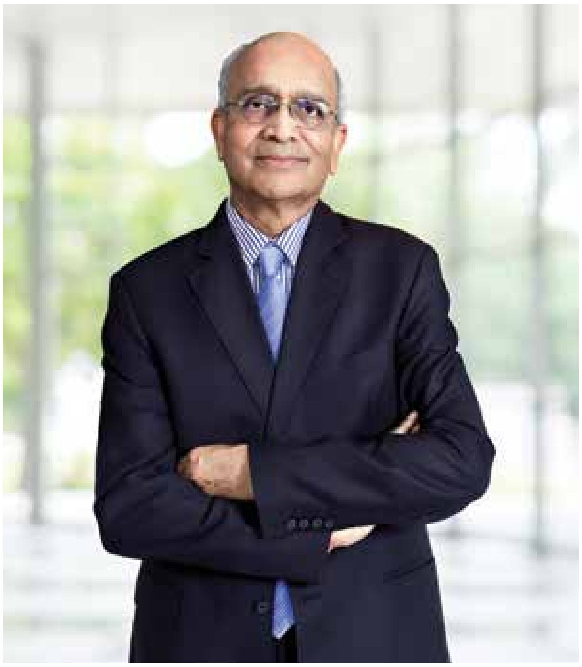
ROCE

	(%)
FY'14	18.2
FY'15	21.6
FY'16	26.9
FY'17	30.1
FY'18	28.1
FY'19	**23.8**

Book Value Per Share

	(₹)
FY'14	694
FY'15	785
FY'16	989
FY'17	1,206
FY'18	1,382
FY'19	**1,527**

Message from the Chairman



Dear Shareholders,

I am delighted to welcome our shareholders to the 38th Annual General Meeting of the Company.

The recent elections have very clearly shown that economic development, creation of employment opportunities for the youth of the country and inclusive growth are what people overwhelmingly want. They have total trust in the vision and leadership of the Prime Minister, who has identified manufacturing growth as the engine for creating national wealth and employment. Our past history shows the importance of creating wealth to enable all citizens to enjoy a satisfactory level of life on a sustained basis. Further, the larger the employment generation the greater would be the inclusivity in the creation of wealth and the ability to meet the aspirations of the youth. As the Prime Minister has said, India has to rapidly grow its manufacturing sector to achieve these objectives. A number of steps have already been taken to promote investments and growth of competitive manufacturing. However, more needs to be done if the target of manufacturing contributing 25% of the GDP by 2022 is to be achieved. This would also be an important step towards the goal of a US$5 trillion economy. The Budget speech of the Union Finance Minister has highlighted the important role that India Inc. has to play in achieving these goals. Your Company has been playing a leading role in the manufacturing sector and would make every effort to help achieve the higher national goals.

Maruti Suzuki India Limited is an example of how people of two nations can cooperate in an enlightened manner and work with perfect team spirit for the benefit not only of the stakeholders of the Company but of both nations. In today's highly competitive world, it is not easy for any nation to become a globally competitive manufacturing country. I believe that team working at all levels would give India the best chance of becoming an internationally competitive manufacturing country. Team working is possible when all subscribe to the end objective to be achieved and work to win the trust and confidence of the team members. The goals for all in the nation are achieving rapid economic growth, becoming a US$5 trillion economy and creating an inclusive society. It is the responsibility of leadership in various areas to accept these goals and help achieving them by working as a single national team.

Team working is hard to achieve if there are wide disparities of income and consumption between team members. I am happy to report that, in your Company, we have endeavoured to minimise disparities. The salary of the Managing Director is between 14 and 25 times that of a workman with 35 years of service. If variable salary is included the ratio changes to between 17 and 30 times. This is one reason why team working in your Company has sustained for over 35 years and resulted in its high competitiveness.

The success of your Company has been an important factor in making India an attractive investment destination for Japanese and other investors, besides creating large national wealth and employment. The Company recognises the importance of sustaining its performance and I propose to briefly review some of the activities intended to help in this area. Of course, the basic approach will be the partnership approach in our operations and strengthening team working.

The CSR programmes have been carefully devised and are consistent with the priority areas outlined by the Government. Besides utilising the full budget for CSR, greater attention is paid to ensure that the outcomes on the ground do not have any shortfalls. Effective implementation, in a cost-effective manner, is our watchword. Applicants for driving licences are now tested on automated test tracks in Delhi. This has not only increased transparency, but the quality of drivers will see an improvement. Technology is also being used to detect violations of traffic rules in Delhi and challans have multiplied many times. Unfortunately, the laws for punishing serious violations are grossly inadequate for any real deterrent effect on errant drivers. It should be possible for state governments to adopt these technology-driven systems all over the country and thereby substantially increase road safety.

In the 26 villages where community development work has been taken up, toilets, water ATMs, and rainwater harvesting are being given priority in line with national priorities. The technical education programme continues and is being expanded. In the Gujarat plant of Suzuki Motor Corporation, a 50-bedded hospital, which will provide low-cost healthcare to the people of that area, is under construction. A school that will gradually expand to cover Secondary education is also being built.

Water conservation is of national importance and your Company is giving it high importance. All used water in our plants is being recycled, with the result that about 60% of the daily consumption of water is met from the recycled water. At the Gurugram plant, water harvesting activities were started many years ago and there are 11 lagoons for this purpose. Manesar has five lagoons and the numbers will be increased to maximise rain water harvesting.

The Company is focusing on expanding solar energy use. The initial 1.3 MW plant is now being supplemented by a 5 MW solar energy plant that will be commissioned this financial year. The Board has sanctioned another 20 MW solar energy plant at Manesar and this is likely to be commissioned in 2021. The monitoring of all emissions from the chimneys in the factories is being done on a real-time basis. This enables the Company to take corrective actions, if and when required, without any delay.

Your Company is fully committed to help the Government's programme for reducing the consumption of oil and achieving cleaner environmental standards. We had started in this direction many years ago with the introduction of factory-fitted CNG vehicles. The production of such cars increased by 40% in 2018-19 and this year is targeted to increase by near 50%. The Government has also announced a large programme for increasing CNG outlets and this should result in the steady increase in CNG vehicle sales. A major Government initiative is the conversion of petrol and diesel driven vehicles to electric vehicles. Suzuki, with the support of Toyota, is working on developing electric vehicles. However, the challenges for electric vehicles in India, arising mainly from battery technology, and infrastructure limitations are likely to result in electric vehicle acceptance by customers being slow in the short term. Meanwhile, the objective of reducing oil consumption and pollution would be met by CNG vehicles, hybrid cars and the increasing use of biofuels. Since India is a fast-growing market for cars, unlike most parts of the world, there is a need for using all these technologies.

The automobile industry started the year 2018-19 on a very promising note and our first and second quarters were very good. However, from the third quarter, the market softened substantially and even the festive season did not witness any revival of consumer interest. Till now, there is still no revival of demand and this slowdown appears to be affecting not only car sales but all other sectors of the automobile industry as well. While the weak demand situation is unfortunate, we need to recognise that such downturns do happen from time to time all over the world. Such occasions, while posing challenges also provide an opportunity to review what we are doing and to find ways of becoming more efficient and cost-effective. Your Company is trying to do exactly that. Reduce costs, become more efficient, strengthen marketing strategies and give customers more value. Towards this end, the expansion of the service and sales outlets in rural areas continues to be given priority.

The slowdown in the second half of last year resulted in your Company not being able to meet its initial estimate of double-digit growth for the year. While we maintained our market share, the net profit declined marginally by 2.9% to ₹ 75,006 million. The Board has decided to recommend a dividend of ₹ 80 per share, the same as last year, for your approval.

In Gujarat, the second production line is fully functional, while the third line will be commissioned in 2020. The actual volume of production in Gujarat would be in accordance with the market demand.

As you are aware the entire industry has to move to BSVI standards by the end of this financial year. Stricter standards of safety have also come into force. Your Company has already introduced a number of models that meet the BSVI norms and will continue to do so for the remaining models. The changeover of the entire range of vehicles to BSVI will be completed well within the prescribed time period. The safety standards will also be met well in time. The higher safety and emission norms have resulted in higher costs and an increase in customer prices. One fallout of the higher costs of meeting BSVI norms is the decision to discontinue diesel vehicles up to 1.3 litre-engine capacity by the end of this year.

I believe that this change from BSIV to BSVI norms and the impact on smaller diesel vehicles is one factor that is resulting in the lower sale of cars this year. However, the market response to the BSVI vehicles that have been introduced has been excellent and customers appreciate new technology and the 'greenness' of the vehicles. The increased sale of petrol and CNG vehicles in the future should more than compensate for the discontinuance of diesel vehicles.

The election results have resulted in sentiment continuing to be very positive for the growth of the economy. The Government has already taken a number of good steps, which should result in the economic growth becoming stronger from the next few months. My belief is that we are near the bottom of the downward cycle and the economy, and car sales should start to accelerate in the near future. The fiscal year 2021 should again see your Company coming back to its usual rate of growth. We are continuing to build our sales and service infrastructure as well as production capacity for the future.

The introduction of new models is on track and will continue according to schedule. The development work at the Rohtak centre continues to increase and the number of engineers in R&D by the end of the year will rise to 1,800.

The strength of the Company continues to be all its highly motivated employees, the supply chain and the network or dealers. Year after year, they have shown that having the common goal of increasing the competitiveness of our products; and growing the company, is best achieved by all working together as a team. Suzuki Japan continues to support us in every possible way, for which we are all grateful. The cooperation between Toyota and Suzuki is giving your Company access to technology required for electric vehicle development, introducing higher performance hybrid vehicles and in several other areas. Your Company has already started supplying cars to Toyota India for sale and this is leading to higher production and sale by Maruti. Customers also have more sale and service points to cater to their needs. Your Company will be able to get the benefit from the production capacity of Toyota India in future and this will help in meeting the increases in market demand. I believe this partnership will be of great benefit to all of us.

The trust and confidence displayed by you, our valued shareholders, has always been a source of great strength to all in the Company. We look forward to this support as your Company continues to lead the growth of the automobile industry and manufacturing in the India of tomorrow.

Jai Hind.

RCBhargava

R. C. Bhargava
Chairman

Message from the Managing Director & CEO

Dear Shareholders,

As an investor-friendly initiative and following the recommendation of the Security and Exchange Board of India (SEBI) to voluntarily adopt Integrated Reporting for disclosure of financial and non-financial information, I am pleased to present to you our first Integrated Report of the Company. Though the Company has been following sustainable practices since its inception and has been publishing a sustainability report for many years, this year, the Company is presenting the triple bottom line performance, in accordance with the International Integrated Reporting Council (IIRC) framework, through the Integrated Report, for the benefit of investors. In addition to this, the Company has also highlighted its contribution to the various Sustainable Development Goals (SDGs) identified by the United Nations as essential for the holistic development of a country.

Our parent company is in Japan which is a resource-scarce country. Due to this condition, the business practices in Japan are focused on conserving resources and adhering to the 3R principle of Reduce, Reuse and Recycle. Suzuki Motor Corporation follows a basic philosophy of ‘fewer, smaller, lighter, neater and shorter’ in all its operating practices which is inherited by Maruti Suzuki as well in a holistic manner. Not only our manufacturing processes follow this philosophy, but our product design also exhibits the same. Small cars consume far less material and occupy less space for parking. To reduce the use of raw material in making a car, we pursue a yield improvement activity along with our suppliers. One of the important natural resources used in the manufacturing of a car is water. The Company, over the years, has brought down the dependence on ground water to almost zero, while around 60% of water requirement is met through recycled water. The Company also encourages business partners to use techniques for water conservation; for instance, service workshops use a dry-wash technique to eliminate the use of water for car washing.

To reduce its carbon footprint, the Company relies majorly on natural gas for its energy requirement. Also, the Company is steadily increasing the use of solar power. In 2018-19, a solar plant of 0.3 MWp was set up, increasing the total installed capacity of solar power to 1.3 MWp. Additionally, the construction of a 5 MWp solar plant has commenced and is expected to be commissioned in the year 2020. In addition, the Company has been increasing the share of vehicle dispatch, through rail mode, and has dispatched around 8% of the vehicles during the year. The Company has an ambitious plan to increase the share of rail mode to a significant level. On the product side, the Company is working on Electric Vehicle (EV) development. In addition, till the time EVs gain prominence overcoming the lack of infrastructure and high costs, a more workable solution is to promote other powertrain options of clean energy like CNG and hybrid EVs. We are thankful to the Government of India and appreciate their efforts in increasing the CNG distribution network in the country.

As a waste management tool to reduce the impact on the environment, the Company has implemented a globally recognised Substance of Concern (SOC) control tool called the International Material Data System (IMDS) for end-of-life vehicle management. In addition, the Company is proactively establishing a mechanism for collection, storage and subsequent disposal of lithium-ion batteries.

The Company continued to implement village development programmes in the areas of water, sanitation, education and community assets. The Company has partnered with Zydus Hospitals to establish a hospital in Sitapur, Gujarat, to serve an estimated 300,000 persons residing in and around Sitapur.

The Company is proud to partner with the Government’s 'Skill India' mission. I am happy to share that all 254 students of the first batch of the Japan India Institute for Manufacturing (JIM) and the model Industrial Training Institute (ITI) set up by the Company in Mehsana were suitably placed, which helped youth in getting gainful employment.

In the area of road safety, the Company, in partnership with Delhi Police, has implemented an advanced Traffic Safety Management System (TSMS) on an important urban arterial road in Delhi to capture traffic light and speed violations through cameras. The Company has also partnered with the Transport Department of Delhi to set up 12 automated driving test centres to reform the drivers' licence issuance system thereby making it more transparent, stringent and efficient.

The Company considers suppliers and dealers as its extended arm and supports them in upgrading their capabilities. The Company runs a comprehensive excellence programme for the suppliers to identify weak areas of their business and help them improve. The Company is playing a pioneering role in upgrading the skillset of sales and service staff of dealers through training centres. With the increasing customer expectations and the advent of new technologies, upgradation of the skillset of sales and service personnel is important.

The Company has cordial relations with the workers and their union. I like to personally meet the union every month to understand and resolve their issues and to communicate with them the business environment. The union and the management regularly engage with each other, through constructive dialogue and collective bargaining. The Company has also launched a housing scheme for employees, which has received a good response.

Business Performance

Earlier, when we stepped into this financial year 2018-19, there was a good level of optimism about growth. Some of our models had a waiting period and our limited capacity appeared to be a key bottleneck in growth of our business. Some of our investors were even wishing if we could advance by a few months the start of operations of second plant at Suzuki Motor Gujarat.

However, this optimism could not last longer and within a few months, the demand for automobile started shrinking and remained under stress for rest of the year.

In August, with the unfortunate floods in Kerala, followed by the heavy rains in several parts of the country, the demand environment was affected. Thereafter, the simultaneous rise in fuel prices, interest rates and the hike in insurance cost further dampened consumer sentiment right before the onset of the festival season. This led to an increase in network stock, which had to be normalised by supporting dealers with heavy discounts to increase retail sales.

The demand situation continued to remain sluggish during the last quarter as well. With this, the passenger vehicle industry growth in the domestic market reduced to 2.7% in the year, registering its lowest growth rate in the last five years. The Company was also impacted but still managed to outperform the industry and posted a growth of 5.3%. Besides, the weak demand conditions in the export markets further aided the weak volume growth. The overall volume for the year grew by 4.7%.

Growth in volume is important not only for the Company but also for the overall growth of the economy. It helps automobile companies and other companies in the value chain to generate employment for the youth of the nation.

For the automobile industry, the time ahead remains challenging and uncertain. Many regulations are getting implemented in the financial year 2019-20. We will have to see how the customers will react to these changes and shape up the volume growth for the year. With many regulations coming into force, one of the major tasks of the Company is to acquaint customers about the importance of new technologies. The demand environment in the initial few months is not encouraging; however, with a historic mandate given to the NDA Government, the political stability in the country has increased significantly. This may prove to be an important factor in reviving the customer sentiment and bringing growth to the automobile sector.

The automobile industry is witnessing a once-in-a-century transformation across the world with upcoming technologies in the areas of energy, environment, safety and so on. India also has a major challenge of oil imports and needs to pursue technologies to minimise the use of oil in automobiles. Different vehicle segments will have different solutions over different time perspectives. Electrification is being pursued with full effort. However, till the time charging infrastructure spreads sufficiently to give confidence to consumers and battery technology becomes competitive to liquid fuels, we will need some strong measures to reduce oil consumption and imports. CNG vehicles and Hybrid Electric Vehicles can help reduce oil consumption significantly as compared to Internal Combustion Engine-powered vehicles. Hybrid Electric Vehicles can run without charging infrastructure and so can prepone oil import reduction. In this context, the business partnership between Suzuki Motor Corporation and Toyota Motor Corporation will help the Company to gain access to the technologies which are important to keep the Company future ready. Toyota Motor Corporation is the world leader in hybrid technology. The mutual supply of vehicles between the companies also helps in extending the product range and bring in the incremental volume while competing with each other.

Over the longer term, the Indian automobile market is expected to grow, given a very low level of car penetration and the Government's commitment of achieving healthy macroeconomic growth. The Company is fully committed to the Indian market and is making all possible efforts to strengthen its position in the market for superior stakeholder returns. Though the market condition is weak now, I think that the situation should improve.

I look forward to your cooperation in navigating these exciting times.

Thank you.

Kenichi Ayukawa
Managing Director & CEO

Corporate Overview

Company Profile

Product Portfolio

Performance Highlights 2018-19

Awards and Accolades

Key Figures

Message from the Chairman

Message from the Managing Director & CEO

Board of Directors

Executive Management Team

Board of Directors

As on 31st March, 2019

Mr. R. C. Bhargava
Chairman

S C N R

Mr. O. Suzuki
Director

Mr. T. Suzuki
Director

N

Mr. K. Ayukawa
Managing Director & CEO

A S C R

Mr. T. Hasuike
Director

Mr. K. Yamaguchi
Director (Production)

R

Board Committees

A Audit

S Stakeholders Relationship

C CSR

N Nomination & Remuneration

R Risk Management

Mr. A. Seth*
Mr. R. S. Kalsi*

*Additional Members

Vice President and Company Secretary

Mr. S. Grover

Auditor

Deloitte Haskins & Sells LLP

Mr. D. S. Brar
Independent Director

A S N

Mr. R. P. Singh
Independent Director

A C

Mr. K. Saito
Director

Ms. R. S. Karnad
Independent Director

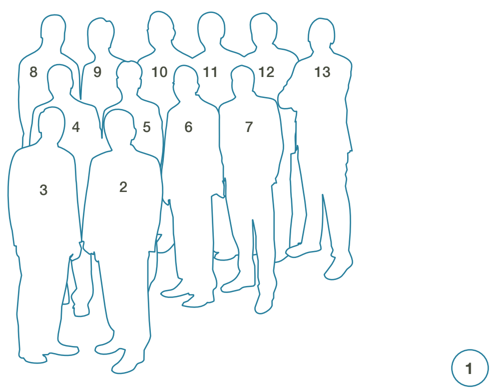
A N

Ms. P. Shroff
Independent Director

A

Mr. K. Ayabe
Director

Executive Management Team



1. Mr. K. Ayukawa, Managing Director & CEO
2. Mr. K. Yamaguchi, EBM & Director (Production)
3. Mr. R. Gandhi, EBM & Sr. Executive Officer (Production)
4. Mr. A. K. Tomer, Executive Advisor (Corporate Social Responsibility, New Projects)
5. Mr. H. Taguchi, Executive Officer (Corporate Planning)
6. Mr. S. Y. Siddiqui, Executive Advisor (Realty & Land Acquisition)
7. Mr. P. K. Roy, Executive Officer (Production)
8. Mr. A. Seth, EBM & Sr. Executive Officer (Finance, Corporate Planning, Company Secretarial, Legal, Internal Audit)
9. Mr. M. Nishio, Executive Officer (Finance, Information Technology)
10. Mr. D. D. Goyal, Executive Officer (Finance)
11. Mr. T. Matsushita, Executive Officer (Engineering)
12. Mr. C. V. Raman, EBM & Sr. Executive Officer (Engineering, Quality Assurance, Supply Chain)
13. Mr. P. Panda, Executive Officer (Engineering)

EBM: Executive Board Member

14. Mr. T. Garg, Executive Officer
(Marketing, Parts & Accessories, Logistics)
15. Mr. T. Hashimoto, Executive Officer (Marketing & Sales)
16. Mr. R. S. Kalsi, EBM & Sr. Executive Officer
(Marketing & Sales, International Marketing, Service, Parts & Accessories, Logistics)
17. Mr. S. Grover, Company Secretary
18. Ms. M. Chowdhary, Executive Officer (Legal)
19. Mr. T. Miki, Executive Officer (Supply Chain)
20. Mr. S. Kakkar, Executive Officer (Supply Chain)
21. Mr. S. Srivastava, Executive Officer (Marketing & Sales)
22. Mr. V. Khazanchi, Executive Officer (Human Resource)
23. Mr. Y. Ozawa, Executive Officer (Human Resource)
24. Mr. P. Banerjee, Executive Officer (Service)
25. Mr. D. K. Sethi, Executive Officer (Quality Assurance)
26. Mr. R. Uppal, EBM & Sr. Executive Officer
(Human Resource, Information Technology, Safety)
27. Mr. K. Suzuki, Executive Officer (International Marketing)


Ciaz

Value Creation Approach

Value Creation Process

The Company connects well with the customers and understands their needs. The strength of the Company lies in its ability to offer relevant 'Products, Technologies and Services' that India needs. The Indian customer is unique and demands the features of high-end cars in smaller cars. This is where the unique capability of SMC in designing feature-rich, environment-friendly products with world-class quality at an affordable price greatly supports the Company in offering the product that the customer desires. The able and passionate workforce committed to make things happen allows the Company to be agile to challenge any situation and emerge stronger.

The Company strives to provide best value proposition for the customers not only during the purchase of a car but throughout the ownership cycle. This leads to creation of customer delight, thus ensuring customers' long-term association with the Company. The conscious and concerted efforts in expanding the distribution network,

INPUTS

Financial Capital

₹ 417,573 million capital employed at the start of year

Manufactured Capital

- Key raw materials – steel coils (284,306 MT), ferrous castings (41,204 MT), non-ferrous castings (48,354 MT) and paints (13,005 KL)
- 2 manufacturing facilities in Haryana, India (capacity ~1.5 million vehicles per annum)
- SMG manufacturing facility in Gujarat, India supporting additional sales capacity

Intellectual Capital

- Product licences from SMC
- R&D facility at Rohtak, India supported by SMC, Japan
- ₹ 7,128 million R&D investment
- 1,600 R&D engineers

Social and Relationship Capital

- 444 Tier-I suppliers with 551 plants
- 4,186 sales outlets (including True Value)
- 3,614 service outlets
- Over 28,000 customer engagement activities
- Training and capacity building of value chain partners
- ₹ 1,541 million spent on Corporate Social Responsibility

Human Capital

- 15,892 regular employees
- 1,432 regular employees joined
- 1,196,822 training person-hours
- ₹ 32,549 million employee benefit expenses

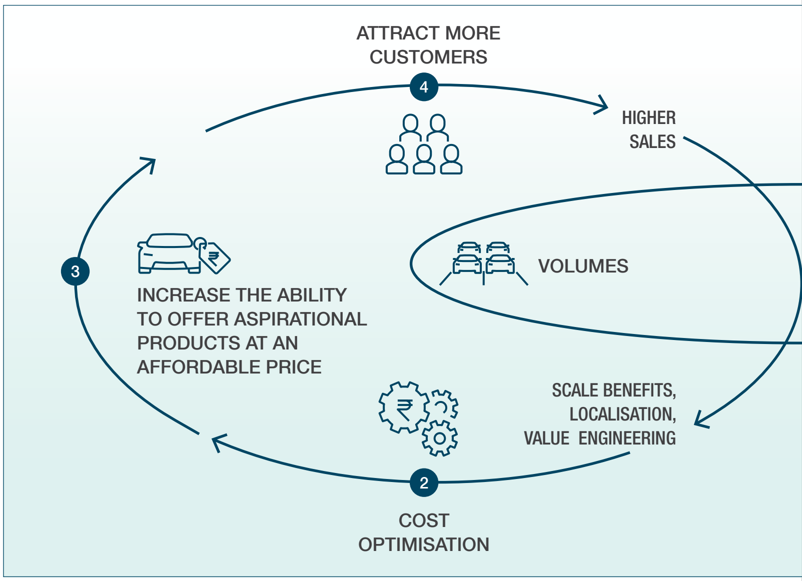
Natural Capital

- 7,577,755 GJ energy consumed for manufacturing
- ₹ 44.76 million spent on energy efficiency measures
- Use of solar power for manufacturing
- Canal water used for manufacturing

BUSINESS MODEL

Vision

How we are working towards our vision



Enablers

OPTIMUM RESOURCE UTILISATION	ATTENTION TO DETAIL

THE FOUNDATION

Core Values

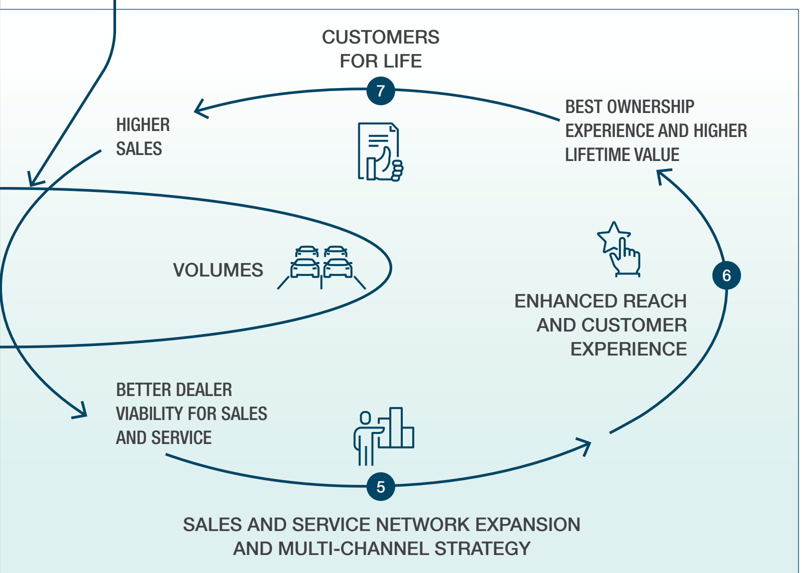
CUSTOMER OBSESSION

pursuing multi-channel strategy, providing ease of maintenance through affordable and easily available spare parts, and proximity of service workshops demonstrate the Company's endless pursuit to serve customers better every passing day.

The blend of Japanese technology and Indian spirit makes the Company distinct and unique in the way it creates value. One of the fundamental elements of value creation is 'optimum resource utilisation'. Since inception, the Company has inculcated the 3R principle, Japanese practices and SMC's basic philosophy of 'fewer, smaller, lighter, neater and shorter' in all its operating practices. These not only make the operations efficient but also support in resource optimisation and conservation thus supporting the Company's contribution towards circular economy. Moreover, the environment-friendly products of the Company greatly help in reducing carbon footprint.

- The leader in the Indian automobile industry
- Creating customer delight and shareholders' wealth
- A pride of India

1 OFFERING RELEVANT 'PRODUCTS AND TECHNOLOGIES' THAT INDIA NEEDS
by leveraging the unique ability of Suzuki Motor Corporation to design feature-rich, environment-friendly products with world-class quality at an affordable price



OPERATIONAL EXCELLENCE | JAPANESE PRACTICES FOR EFFICIENT OPERATIONS

FAST, FLEXIBLE AND FIRST-MOVER | INNOVATION AND CREATIVITY | OPENNESS AND LEARNING | NETWORKING AND PARTNERSHIP

OUTPUTS AND OUTCOMES

Financial Capital

Increase in capital employed to ₹ 461,415 million at the end of year

Manufactured Capital

1,862,449 vehicles sold

Intellectual Capital

- 2 new models – WagonR, Ertiga
- 2 facelift models – Baleno, Ciaz
- 100 patents filed and 12 granted
- 35 designs filed and 54 registered
- 24 technical papers presented
- Reduced product development cycle
- Improved vehicle-fuel economy, lower emissions and enhanced safety

Social and Relationship Capital

- Over 20 million customers touched through sales and service activities
- Over 50,000 sales staff trained
- Over 130,000 service staff trained
- Social development programmes in 26 villages
- 391,761 persons trained at Institutes of Driving Training and Research (IDTR)

Human Capital

- Cordial industrial relations
- Zero fatalities and lost-time injury rate
- 880,000 suggestions from employees leading to ₹ 742 million savings

Natural Capital

- 122,439 MT metallic scrap recycled
- 488,834 tCO_2e Scope 1 and 2 emissions
- 62% of manufacturing water demand met through recycled water
- 15,082 MT hazardous waste co-processed
- Cumulative 1,006,511 tCO_2 emissions saved since 2005-06 due to alternative drive trains (e.g. CNG, hybrid) of in-use vehicle fleet
- 4-21% CO_2 emission reduction in new and facelift models

External Environment

The Company's potential to create value over short, medium and long term may be determined broadly by the following factors:

ECONOMIC CONDITIONS

Over the past few decades, the Indian economy has grown at a healthy rate, establishing itself as one of the major economies in the world. Eminent institutions such as the International Monetary Fund (IMF) have forecast that India shall become one of the fastest growing large economies in the world over the medium term. India has already become the fifth largest car market in the world, though car penetration rate remains reasonably low at ~ 3%, with the country's population exceeding 1.3 billion people. With economic growth, the low penetration offers a good growth opportunity to the automobile market and the Company. However, in the short term there are certain headwinds that might affect the Company's ability to create value. These include slowdown in consumption leading to softened demand in domestic market, weakening of Indian economy due to protectionist trade measures adopted recently by various countries, uncertainty in commodity prices and foreign exchange fluctuations.

COMPANY'S EFFORTS

The Company will continue to work on the necessary enablers to tap opportunities in the medium and long term. These include strengthening its customer-centric culture, expanding sales and service network, increasing manufacturing capacity, investing in new products and technology, augmenting capability and skills of employees and inculcating green manufacturing methods.

The Company is increasing its engagement with customers to address the short-term challenge of weak market demand. It is pursuing targeted marketing events to generate enquiries and encourage customers to expedite vehicle purchase. Hyper-local marketing techniques are being used extensively for customer engagement. Additionally, continual product and technological support from the parent, SMC will help the Company in launching new products and technology, thereby creating excitement in the market and generating demand.

REGULATORY LANDSCAPE

The regulations in India on vehicle fuel economy, emissions and safety are becoming increasingly stringent and will soon be at par with those of the developed world. This will result in an increase in the prices of vehicles and may affect customer demand, especially of price-sensitive entry-level cars. It will be interesting to see how the customers respond to such changes.

2019

Anti- lock Braking System	Offset frontal impact	Side impact
April	October	October

2020

Bharat Stage (BS) VI	On-Board Diagnostics (OBD) I	In-service compliance	Real Driving Emissions (RDE) monitoring	Pedestrian protection
April	April	April	April	October

2022

Corporate Average Fuel Economy (CAFE) Norms Phase 2
April

2023

OBD II	In-use performance ratio	RDE compliance
April	April	April

CHANGING CUSTOMER PREFERENCES

The Company was established with a vision to put India on wheels. Right from its inception, the Company's emphasis was on developing cost-engineered products to cater to the needs of Indian customers. The Company's ability to understand the stated and unstated needs of customers and its customer-centric approach towards decision-making led to overwhelming acceptance of its products in the market.

In today's highly connected and digital world, customer preferences are changing rapidly. The new-age customer, even when buying a low-price-segment car, expects superior styling and technology, usually offered in the high-end cars, as well as a premium buying experience. Therefore, it is critical for the Company to sense the evolving customer preferences ahead of competition and introduce such products, technology, and experience to maintain its first-mover advantage.

INCREASING COMPETITIVE INTENSITY

With the expansion of the economy, India is becoming a large market, where auto industry players can compete to the best of their abilities. The Company firmly believes that increasing competitive intensity not only benefits customers but also forces the industry players to innovate, which in turn, benefits the customers. This competitive intensity is expected to further increase in times to come due to the growth potential of the Indian passenger vehicle market.

TECHNOLOGICAL DISRUPTIONS

The auto industry is undergoing transformative changes not only because of regulation, but also because of emerging technologies. The developed automobile markets are already witnessing changes such as shared and autonomous mobility, and hybrid and EV technologies. This is fast catching up in India too. However, the time and cost of developing such technologies are so large that it is difficult for the Company to invest in all of them simultaneously on its own. Therefore, it is viable to collaborate with external agencies for sourcing some of the technological solutions.

COMPANY'S EFFORTS

In order to meet these regulatory requirements, it is imperative to have access to requisite technology. Continual technological support from SMC will help the Company to comply with the regulatory requirements as per stipulated timelines.

The Company's state-of-the-art testing facilities in Rohtak will help reduce the product development cycle and help achieve timely compliance.

The regulatory changes will lead to an increase in the price of vehicles. The committed and passionate workforce of the Company will continue to undertake cost reduction activities such as localisation and Value Analysis & Value Engineering (VA-VE) to mitigate an adverse increase in the input cost to a certain extent.

The Company has been successfully satisfying Indian customers by offering contemporary technologies such as auto gear shift, stylish products such as Brezza and eco-friendly options such as factory-fitted CNG vehicles at the price point of customer choice. Market success of these technologies and products are a testament to the Company's strength that has been built over the years to keep pace with evolving customer preferences. With sustained support from SMC, the Company will continue to launch relevant products and technologies in future.

In order to monitor customers' requirements in this digital era, the Company has increased its efforts of social listening by investing in digital marketing. It is in a position to understand the requirements of existing and prospective customers.

The Company continues to pursue its channel strategy by expanding both ARENA and NEXA sales channels to enhance customers' buying experience.

The Company is a jewel in the crown for its parent SMC because of its contribution to the latter's business. Therefore, SMC will want the Company to remain highly competitive and agile in manufacturing, technology and market response.

The establishment of SMG was aimed at relieving the Company from incremental capacity expansion and production and allowing it to fully concentrate on critical success factors of the industry. As a result, the Company was able to establish NEXA channel by rolling out over 350 sales outlets in a record time. Achieving this feat would have been quite challenging had the Company remained engaged in incremental capacity expansion and production.

Network is one of the critical success factors and land is the most important resource for its fast-paced expansion. The Company is buying and providing land parcels to its network partners on reasonable rental, thereby preventing stress on their profitability due to rising lease rentals.

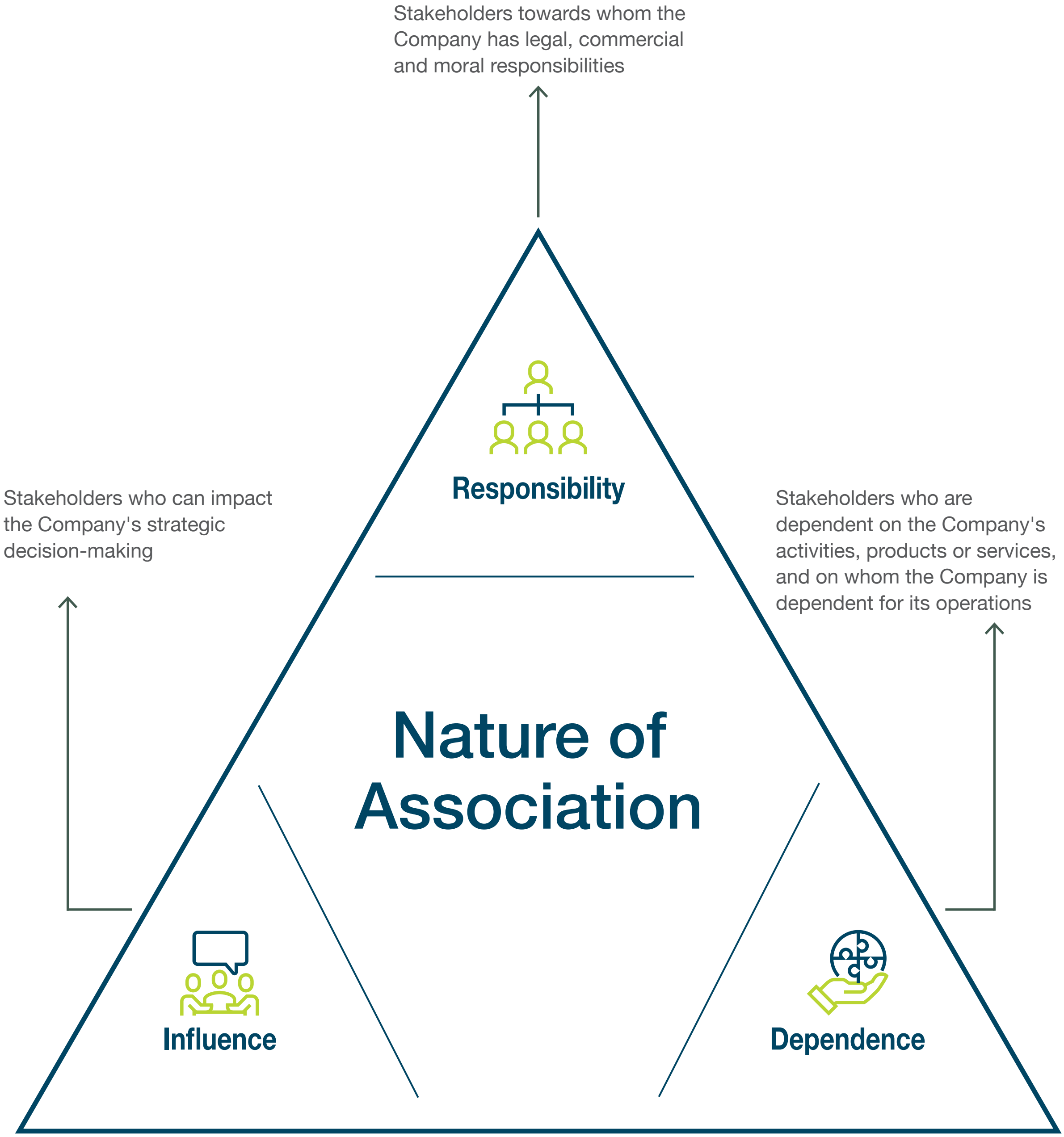
In order to maintain the competitive position of the Company in future, access to new-age technologies is crucial. The Company's efforts in this direction are mentioned below in 'Technological Disruptions'.

The Company's experience of selling cars for over 35 years would greatly assist in making quick and informed decisions. The competitive advantage that the Company has created over this period would also aid in creating value in future.

The business partnership between SMC and Toyota Motor Corporation (TMC), Japan will immensely benefit the Company by gaining access to new-age technologies and from mutual supply of vehicles (refer to Management Discussion and Analysis, page 136).

Stakeholder Engagement

One of the reasons for the Company's prominence in the Indian automobile industry has been its collaborative approach towards various internal and external stakeholder groups. These stakeholders are identified based on the nature of their association with the Company.



By continually engaging with the stakeholders upon issues of mutual interest, the Company ensures protection and creation of value across all capitals. The feedback received through various engagement channels helps the Company to gauge stakeholders’ views and concerns, and subsequently devise suitable action plans.

STAKEHOLDER GROUP	ENGAGEMENT ACTIVITY	ENGAGEMENT FREQUENCY
Employees	Managing Director's communication meeting with departmental heads and above on business performance and developments	Quarterly
	Divisional communication meetings on business performance and developments	Monthly
	Managing Director's meeting with union representatives	Monthly
	Plant and functional heads' interactions with workers	Monthly
	'Coffee with HR' to engage employees on HR policies and initiatives	Monthly
	Employee engagement survey	Annual
	Stay and exit interviews	Ongoing
	'Family Connect' activities (family meets, factory visits, sports events, children and parental counselling)	Ongoing
	Suggestion schemes and quality circles	Ongoing
Customers	'Brand Track' to gauge customers' perception of corporate and product brands	Ongoing
	Customer meets and third-party surveys to gauge customers' satisfaction levels	Ongoing
	Mega service camps to understand and resolve customers' concerns	Ongoing
	Customer care cell for 24 x 7 customer support	Ongoing
Shareholders and investors	Annual General Meeting	Annual
	Press releases and emails	Ongoing
	Investor meets, one-to-one meetings and conference calls	Ongoing
Suppliers	Maruti Suzuki Suppliers Welfare Association (MSSWA), a forum for suppliers' interaction with the Company's top management	Ongoing
	Quality Month to enhance quality consciousness among suppliers	Annual
	Value Analysis & Value Engineering (VA-VE) programme to achieve cost competitiveness jointly with suppliers	Annual
	Vendor Conference	Annual
	Comprehensive Excellence Programme to upgrade suppliers' performance standards	Ongoing
	Vendor HR Meet to sensitise suppliers' CEOs on HR topics	Ongoing
Dealers	Dealer Conference	Annual
	Guidance on business and financial matters	Ongoing
Local community	Consultation with local people around manufacturing locations on community development	Ongoing
Government and regulatory authorities	Participation in committees set up by Society of Indian Automobile Manufacturers, the Government and the trade associations on policy and regulations	Ongoing

Material Topics

The Company has identified, through stakeholder engagement activities, topics that are material to its business as well as stakeholders. During the reporting period, the list of material topics presented in last year's sustainability report was revalidated through internal stakeholder consultations, which took into account the views and opinions expressed by both internal and external stakeholders.

As per the IIRC framework, on the basis of which this report has been prepared, the resources and relationships used and affected by an organisation are collectively referred to as capitals. They are categorised as financial, manufactured, intellectual, human, social and relationship, and natural capitals. During the preparation of this report, the Company has mapped each material topic against the capitals, in order to showcase a cause and effect relationship.

MATERIAL TOPICS	RELEVANCE	BOUNDARY
Business continuity	• Mitigating risk of disruption in the value chain	MSIL, Suppliers, Dealers
Regulations	• Complying with rapidly evolving regulatory landscape	MSIL, Suppliers, Dealers
Corporate governance	• Promoting shareholder trust • Ensuring highest standards of business ethics transparency and accountability	MSIL
Customer centricity	• Maintaining customer-centric culture in decision-making • Maintaining the Company's ability to sense evolving customer preferences ahead of competition	MSIL, Dealers
Product safety	• The Company's strong focus on designing and manufacturing safe vehicles • Complying with evolving regulations on vehicle safety	MSIL, Suppliers, Dealers
Product quality	• Institutionalise 'zero defect' philosophy across the value chain, in the face of increasing scale and complexity of business, to build reliable and safer vehicles	MSIL, Suppliers
Economic performance	• Deliver growth and profitability in the short, medium and long term	MSIL, Suppliers, Dealers
Energy and emissions reduction	• Optimisation of energy use across the value chain and reducing emissions from the products	MSIL

The United Nations Sustainable Development Goals (SDGs) are a part of an ambitious global plan to end poverty, protect the planet, promote prosperity and ensure peace for all. The Company is committed to align its business activities to the SDGs and contribute to their fulfilment. As a first step, the Company has mapped the material topics to the SDGs to understand which of the goals it is best placed to contribute to. During the mapping exercise, careful consideration has been given to the applicability of the goals to the Company's business activities and current operating context.

ASSOCIATED CAPITALS	ALIGNMENT WITH SDGs	LOCATION IN THIS REPORT
		Pg. 26 Value creation process Pg. 38 Risk management Pg. 42 Governance mechanism
	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Pg. 43 Compliance management Pg. 46 Preparedness for upcoming regulations Pg. 48 Vehicle safety
	8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Pg. 42 Governance mechanism
		Pg. 26 Value creation process Pg. 45 Product innovation and stewardship Pg. 51 Customer engagement and support
	11 SUSTAINABLE CITIES AND COMMUNITIES	Pg. 48 Vehicle safety
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES	Pg. 38 Risk management Pg. 45 Product innovation and stewardship Pg. 53 Comprehensive excellence programme
	8 DECENT WORK AND ECONOMIC GROWTH	Pg. 10 Performance highlights
	7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Pg. 46 Fuel efficiency Pg. 64 Energy and emissions management

MATERIAL TOPICS	RELEVANCE	BOUNDARY
Occupational health and safety	• Promoting safety culture, employee wellbeing and workplace ergonomics across the value chain • Institutionalise 'zero accident' philosophy across the value chain	MSIL, Suppliers, Dealers
People development	• Augmenting the competence and skills of employees • Developing an industry-ready workforce and minimising the skill gap	MSIL, Suppliers, Dealers
Industrial relations	• Striving to achieve happy, harmonious and safe work culture to ensure operational continuity	MSIL, Suppliers
Talent acquisition and retention	• Striving to become employer of choice	MSIL
Road safety	• Contributing to social issue relevant to the automobile sector	MSIL
Community development	• Maintaining social licence to operate • Contributing to national developmental priorities	MSIL
Human rights	• Continuing socially responsible business practices across value chain • Mitigating risk of business disruptions	MSIL, Suppliers, Dealers
Responsible procurement	• Mitigating operational and reputational risks from suppliers' non-compliance • Minimising the environmental and social footprint of products	MSIL, Suppliers
Water use and recycling	• Water stewardship across value chain to prevent its degradation and meet resource requirements, in the face of increasing water stress	MSIL
End-of-Life Vehicles (ELV) management	• Continuing best practices on ELV management to contribute towards circular economy	MSIL, Suppliers
Industrial waste management	• Ensuring responsible management and disposal of hazardous wastes • Ensuring optimum resource recovery from wastes	MSIL
Cyber security	• Ensuring security of the Company's confidential information for business continuity • Protection of personal information of employees, customers and other stakeholders	MSIL

ASSOCIATED CAPITALS	ALIGNMENT WITH SDGs	LOCATION IN THIS REPORT
	8 DECENT WORK AND ECONOMIC GROWTH	Pg. 54 Safety programmes Pg. 57 Workplace health and safety
	4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	Pg. 54 Training of suppliers Pg. 55 Training of dealers Pg. 62 Learning and development Pg. 69 Skill development
	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES	Pg. 38 Risk management Pg. 60 Industrial relations
	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Pg. 38 Risk management Pg. 61 Talent acquistion and retention
	3 GOOD HEALTH AND WELL-BEING 11 SUSTAINABLE CITIES AND COMMUNITIES	Pg. 70 Road safety
	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 6 CLEAN WATER AND SANITATION	Pg. 68 Community development
	8 DECENT WORK AND ECONOMIC GROWTH	Pg. 42 Governance mechanism Pg. 57 Workplace health and safety Pg. 59 Workforce
	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Pg. 53 Working with suppliers
	6 CLEAN WATER AND SANITATION	Pg. 56 Resource conservation at workshops Pg. 66 Water and waste water management
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Pg. 50 End-of-Life Vehicle management
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Pg. 67 Waste management
		Pg. 38 Risk management

Risk Management

The Company understands that effective risk management is critical for meeting its strategic objectives and achieving sustainable growth. It has a structured risk management process which is overseen by the Risk Management Committee. This Committee monitors and reviews the risk management plan of the Company as per requirements of the Companies Act, 2013. The accountability for mitigation of each risk is assigned to the identified risk owners.

The Company has applied the net risk principle to determine its strategic risks. The mitigation measures to counter these risks are being monitored at the top management level.

FOCUS AREAS FOR RISK MANAGEMENT	MITIGATION	RELATED MATERIAL TOPIC
Guarding confidential information and IT systems	• Establishment of Security Operations Centre (SOC) to detect IT security incidents • Implementation of sandboxing technology to ensure proactive malware detection and containment • Periodic vulnerability assessment and penetration testing • Regular user awareness programmes to sensitise users on phishing attacks	Cyber security
Impact on business continuity due to natural and man-made disasters	• Strengthening both preventive and reactive measures pertaining to fire safety by benchmarking and implementing global best practices in fire safety • Mock-drills to ensure the preparedness of both fire-fighting systems and employees • Implementation of best practices related to earthquake safety	Business continuity, customer centricity, occupational health and safety
Impact on business continuity due to supply disruptions	• Proactive engagement with suppliers to study and formulate time-bound action plans in the areas such as quality, financial health, compliances, risk management, safety and environmental standards and capability development through Comprehensive Excellence programme	Customer centricity, business continuity, occupational health and safety, responsible procurement
Acquisition and retention of talent	• Promoting harmonious work culture and implementing policies towards becoming an 'employer of choice' through comprehensive employee benefits, welfare and wellbeing measures, proactive and continual employee engagement, and structured learning and development opportunities	Talent acquisition and retention, people development
Strengthening the culture of quality across the supply chain	• Promoting the philosophy of 'zero defect' across the supply chain • Proactive engagement with suppliers to develop their capability to manage the increasing scale and complexity of business	Customer centricity, product quality, product safety
Good labour relations for smooth manufacturing operations	• Inculcating and developing partnership culture among workforce • Regular two-way worker-top management communication, with focus on understanding and resolving issues • Proactive and regular engagement with workers and their families • Welfare measures such as housing scheme and wellness programme • Continuous improvement in the efficiency and effectiveness of grievance redressal mechanism	Customer centricity, industrial relations
Complacency in the Company and its value chain	• Challenging status-quo • Regular job rotation • Stringent targets and KPIs	Economic performance
Capturing the organisational learning	• Learning from past incidents for better decision-making	Customer centricity, people development
Succession planning	• Grooming employees and creating a talent pool	People development

Way Forward

India with relatively low car penetration level and good prospect of economic growth is on the path of becoming 3rd largest passenger vehicle market in the world and offers a big opportunity. The Company is fully committed to cash-in on the opportunity. The following are the few measures taken by the Company to strengthen its position in the market for superior stakeholder returns.

AREA	DESCRIPTION
Product	Extending product portfolio by bringing in aspirational, environment-friendly and safer products with support from Suzuki Motor Corporation
Powertrain	Appropriate mix of Internal Combustion Engine, CNG, Hybrid and EVs to meet the twin objective of reducing carbon footprint and to reduce oil consumption and imports of the country
Research and Development	• Capability enhancement for designing, developing and testing of new models • Managing regulatory compliances with support from Suzuki Motor Corporation
Supply Chain & Cost Management	• Continue focus on cost improvement like localisation, value engineering among others • Business continuity • Tier-II suppliers consolidation • Green supply chain • Promoting the 3R principle and waste management techniques at suppliers' end • Comprehensive Supplier Excellence Programme in areas of safety, quality, human resource, financial health, compliance, risk management among others • Establishing supplier ecosystem at Gujarat near SMG
Marketing, Sales and Service	• Network expansion • Multiple sales and service channels • Buying land parcels for sales and service outlets – better dealer viability & faster expansion • Expansion of warehouses and part distribution centres for quick availability of cars and spare parts • Enhancing the focus on digital marketing and target marketing techniques • Use of data analytics for effective and efficient decision making • Developing the export markets and increasing the share of exports • Scaling up pre-owned car business • Promoting the 3R principle and waste management techniques with a special focus on water conservation in service workshops • Capability building of sales and service personnel of channel partners
Human Resource	• Talent acquisition and retention measures • Succession planning • Employee wellbeing and welfare measures • Strong focus on two-way communication • Inculcating and developing partnership culture among workforce • People development • Proactive and continual employee engagement • Creating a talent pool to meet increasing scale of business • Developing an industry-ready workforce and minimising the skill gap
Manufacturing	• Capacity expansion at Suzuki Motor Gujarat • Measures to continuously improve occupational health and safety • Pursuing Industry 4.0 to continuously improve the build quality of products • Promoting the 3R principle in manufacturing and industrial waste management techniques • Increasing the use of solar power for manufacturing • Adopting measures for energy conservation • Increasing water recycling and water conservation measures
ESG measures	• Strong focus on business conduct and ethics • Strengthening internal control measures in the light of increasing complexity due to rising scale of business • Inclusive and participatory decision-making • Measures to continuously enhance shareholders trust • Pursuing community development measures in the areas of water, health and hygiene, education etc. • Road safety initiatives • Contributing to Skill India mission • Increasing the use of eco-friendly modes of vehicle dispatch: railway logistics • Monitoring and controlling the usage of Substance of Concern (SoC) through IMDS tool • Increasing focus on environment-friendly products, technologies and business practices

For more details kindly refer to our efforts in External Environment section in page 28, Risk Management section in page 36 and Management Discussion and Analysis section in page 136.


ERTIGA

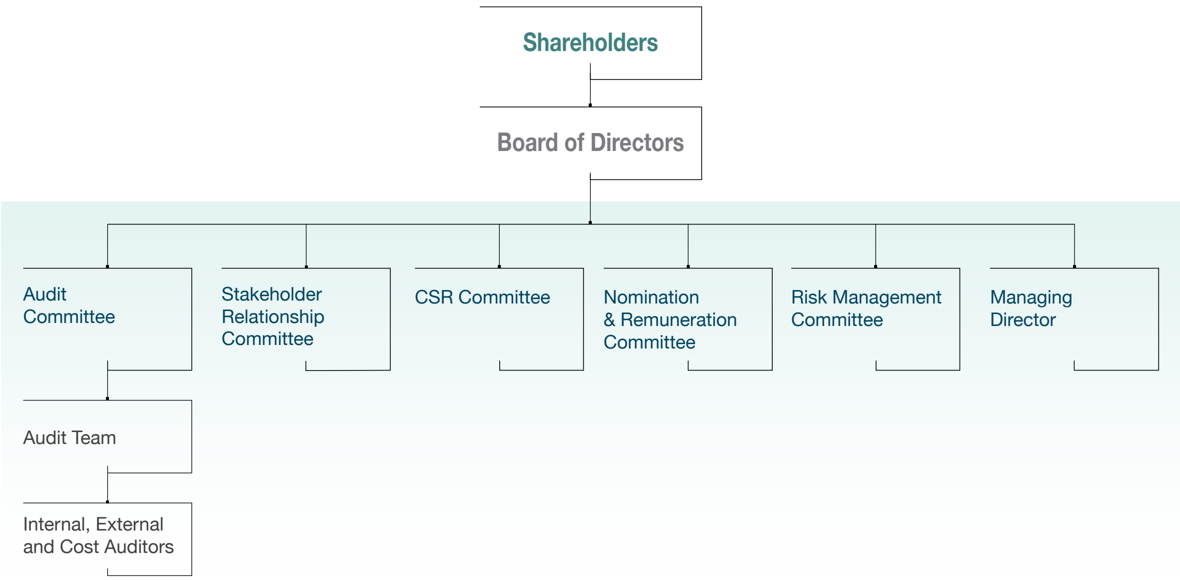
Sustainability Performance

Governance Mechanism

Robust corporate governance is imperative to the continuity of any business. High standards of ethical behaviour, accountability and transparency are embedded in the Company's organisational culture. Respect for human rights is upheld in all business activities and relationships.

Corporate Governance Structure

The Board, along with its committees, carries out responsibilities towards all stakeholders by ensuring transparency, fair play and independence in decision-making. The Company's Board comprises 12 members. This includes two women who serve as Independent Directors. Further details can be found in the Corporate Governance Report section (page no. 119). The Company's senior management, along with the Managing Director, periodically reviews its financial and non-financial performance.



Key Codes and Policies

- Policy on Materiality
- Policy on Dividend Distribution
- Policy on Subsidiary Companies
- Policy on Related Party Transactions
- Corporate Gifting Policy
- Code of Fair Disclosure
- Code of Conduct and Business Ethics
- Quality Policy
- Corporate Social Responsibility Policy
- Environmental Policy
- Occupational Health and Safety Policy
- Whistle Blower Policy
- Anti-Child Labour Policy
- HIV/AIDS Workplace Policy
- Anti-Sexual Harassment Policy
- Policy Guidelines on Green Procurement
- Information Security Policy

Code of Business Conduct and Ethics

The Company's Code of Business Conduct and Ethics (COBCE) addresses compliance with internal standards of business conduct and covers aspects such as regulatory compliance, fair employment practices, environment, health and safety, conflicts of interest and safeguarding of the Company's assets. In the reporting period, a section on digital, cyber security and privacy was added to the COBCE, considering the increased focus of the management in this area.

The COBCE is applicable to all the Company's employees down to the level of supervisors.
The standing orders for workers, developed as per regulatory requirement, formally define the codes of behaviour for the associates. The COBCE does not cover the Company's subsidiaries, joint ventures, suppliers and dealers. However, adherence to applicable regulatory compliances, including, but not limited to, prohibition on employment of child labour, forced labour and prevention of sexual harassment of women at workplace, are included as contractual requirements for dealers and suppliers.

All employees undergo mandatory COBCE and Prevention of Sexual Harassment (POSH) training at the time of joining and thereafter, through e-learning modules and classroom sessions. During 2019-20, the Company plans to conduct focused trainings for more than 5,000 employees on COBCE and POSH.

The Company has also laid down a specific code of conduct for the Board members and senior management as per regulatory requirement, and a related declaration is made in Annexure-B of Corporate Governance Report.

Prevention of Sexual Harassment

The Company's Anti-Sexual Harassment Policy provides a mechanism to make the workplace safe for all employees. Three complaints of sexual harassment were received during the reporting period. As on 31st March, 2019, two of these cases had been investigated and closed and one case was under review. The two cases pending from 2017-18 were also investigated and closed during the reporting period.

Whistle Blower Mechanism

The Company's Whistle Blower policy allows employees to bring instances of unethical behaviour to the knowledge of the management. Two complaints received during 2017-18 were pending resolution, and three complaints received in 2018-19 were resolved. During the reporting period, the policy was amended to include inquiry in case of leak of unpublished price-sensitive information.

Respecting Human Rights

Aspects of human rights such as child labour, forced labour, occupational safety and non-discrimination are covered by the COBCE and various policies applicable to the Company. The Company promotes respect for human rights among suppliers through contractual obligations.

The Company has started working on developing a standalone human rights policy. An internal cross-functional team was formed and awareness sessions on the requirements of national and international human rights guidelines were conducted.

Compliance Management

The Company has a strong focus on zero non-compliance. An electronic legal compliance management system is used to track compliances with applicable regulations. The system has provisions for early warning, checks and balances, reporting and escalation. A compliance report is submitted to the Board on a quarterly basis.

STATUS OF COMPLIANCE DURING 2018-19

Environmental laws and regulations	No non-compliance and significant sanctions (monetary or non-monetary) were imposed on the Company by the regulatory authorities. Emissions and waste generation were within the limits defined by the Pollution Control Board. As on 31st March, 2019, satisfactory replies to all show-cause notices received from the Pollution Control Board have been given.
Marketing communications	No incidents of non-compliance.
Advertising standards	One complaint pertaining to advertising standards was received, and the matter was resolved.
Competition laws	One case pertaining to anti-competitive behaviour filed against 17 automobile companies is pending before various courts such as Delhi High Court, Madras High Court and Supreme Court of India. The case was filed before the Competition Commission of India (CCI) under Section 19 of the Competition Act by Shri Shamsher Kataria (informant) on 17th January 2012, against certain car companies other than MSIL, alleging multiple violations of the provisions of the Competition Act. In the case of the Company, an interim stay is in operation in the above case, pursuant to the writ petition filed by the Company before the Delhi High Court.
Consumer protection laws	As on 31st March, 2019, 1,575 consumer cases were pending, in various forums.

Management Systems Implemented

MANAGEMENT SYSTEMS	ADOPTION YEAR	COVERAGE
ISO 9001 Quality Management System	1995	Gurugram and Manesar facilities
ISO 14001 Environment Management System	1999	Gurugram, Manesar and Rohtak facilities
ISO 27001 Information Security Management System	2006	Gurugram and Manesar facilities Head Office Zonal, Regional and Area Offices
OHSAS 18001 Occupational Health and Safety Management System	2012	Gurugram, Manesar, and Rohtak facilities Head Office

Policy Advocacy Practices

The Company actively engages with the government through industry associations on future policies, regulations and implementation plans in the areas of emissions, safety, vehicle scrapping, trade, research and development, electric and hybrid vehicles, and inclusive development. Policy advocacy efforts are governed by the Code of Business Conduct and Ethics and are directed towards creating a sustainable business environment for the Company and desirable outcomes for all concerned stakeholders.

Industry Body Memberships

NAME OF THE INDUSTRY COMMITTEE/FORUM	POSITION
CII National Committee on Electric Mobility and Battery Storage	Co-Chairman
CII Trade Fairs Council	Member
CII National Committee on Financial Reporting	Member
CII Task Force on Legal Services	Member
CII National Leadership & HR Committee	Member
CII National Committee on IR	Member
CII Northern Region Committee on HR and IR	Co-Chairman; Member
CII Manufacturing Council	Member
CII Northern Regional Council	Member
CII Northern Region Committee on Advanced Manufacturing	Chairman
CII Manufacturing Council	Member
CII National Committee on Skill Development	Member
CII National Committee on IPR	Member
CII Haryana State Council	Member
CII Haryana State Panel on Skill Development	Chairman
MCC Gurugram Governing Council	Chairman
FICCI Taskforce on Oil Import Substitution for Automobiles	Chairman
ASSOCHAM National Council on Auto & Auto Ancillaries	Chairman
Society of Indian Automobile Manufacturers (SIAM)	Vice-President
SIAM Body on Emission and Conservation	Chairman
SIAM Body on Taxation Procedural	Chairman
SIAM Body on International Harmonisation	Chairman
SIAM Body on International Relations and Trade Policy	Co-Chairman
SIAM Body on Trade Fairs	Co-Chairman
SIAM Body on CMVR and Safety	Co-Chairman
SIAM Body on Styling and Design	Co-Chairman

Product Innovation and Stewardship

Increasing competition, changing customer preferences, and evolving regulatory requirements are rapidly transforming the Indian automobile market. In order to stay ahead of the curve, the Company is not only leveraging on the technological expertise of SMC, but is also enhancing its own R&D capabilities through investments in its facilities and human resources. As a result, the Company has been able to offer safe, reliable, and superior-quality products and services at affordable prices. The Company is also committed to minimising the environmental footprint of its products throughout their lifecycle.

New Products and Technologies

Continuing with its track record of delighting customers with new offerings, the Company introduced two new models (WagonR and Ertiga) and two facelifts (Baleno and Ciaz) in 2018-19. These next-generation products come with aspirational designs and an array of safety and convenience features. They have been engineered to offer unmatched performance on the road.

New WagonR

Robust body language and wider stance

Smart Play Studio for in-car entertainment

Advanced K-series engine

Spacious cabin and boot space

New Ertiga

Aspirational exterior design

Expressive bold face complemented by stylish 3D LED tail lamps

Spacious cabin and plush dual-tone interiors

TECHNOLOGY IMPLEMENTED	BENEFITS	MODEL
Suzuki's new fifth generation HEARTECT platform	Optimised body structure made of Ultra and Advanced High Tensile Steel (UHSS & AHSS) provides better emission performance through weight reduction, offers better ride handling through improved body stiffness as well as excellent Noise, Vibration and Harshness (NVH) levels, and ensures compliance with future crash safety norms	New WagonR and new Ertiga
All new 1.5L K15 gasoline engine designed by Suzuki and developed by the Company	Improved power and torque outputs for pleasant driving experience	Ciaz, new Ertiga
Smart Hybrid Vehicle by Suzuki (SHVS) technology with dual (Li-ion and conventional) batteries	Longer service life and improved fuel efficiency	Ciaz, new Ertiga
Smart (S)-CNG (factory fitted)	Dual interdependent Engine Control Units and intelligent gas port injection for optimum performance and enhanced drivability Direct mounted CNG injectors for superior fuel efficiency	WagonR (S-CNG variant)
Auto Gear Shift (AGS)	Ease of driving and fatigue reduction	Vitara Brezza 1.3L Diesel
Six-speed manual transmission	Better fuel efficiency and performance	Ciaz
Dual-mass flywheel	Improved NVH experience	Ciaz

R&D Facilities

The Company's integrated Research & Development (R&D) centre at Rohtak in Haryana has state-of-the-art facilities for development, testing, and evaluation of products. It has 31 km of vehicle test tracks that replicate numerous real-life terrains. Laboratories for crash, strength, durability and NVH testing have been set up and are regularly upgraded.

Key developments at the R&D centre include:

- New facilities for emissions reduction and safety
- New state-of-the-art Electro-Magnetic Compatibility (EMC) facility to test electrical and electronic systems
- Upgrade of body-related testing facilities

Preparedness for Upcoming Regulations

Based on the government's directive, the Indian automobile industry is leapfrogging directly from Bharat Stage (BS)-IV emission standards for petrol and diesel vehicles to BS-VI standards. BS-VI is the most advanced emission standard for automobiles and is equivalent to Euro-VI norms, currently in place in Europe. The Company is making efforts to ensure that all the models and powertrain options are upgraded using SMC's proven technology to meet BS-VI regulations ahead of the deadline. The Company's R&D engineers have been trained in latest technologies, software applications and engine calibration methods.

Corporate Average Fuel Economy (CAFE) norms have been notified for implementation in a phase-wise manner. Phase 1 has already been implemented in the country from 2017-18. Phase 2, which consists of more stringent norms, is planned for implementation from 2022-23. The Company is committed to meeting these norms and is working with SMC to develop technologies for fuel efficiency improvements.

Fuel Efficiency

The Company is committed to providing fuel efficient vehicles. Fuel Efficiency (FE) improvements in new WagonR and new Ertiga have been achieved through initiatives such as use of low-friction bearings with reduced torque loss (for reducing friction), low viscosity oil (for reducing mechanical loss), reduction of co-efficient of drag and Smart Hybrid Vehicle by Suzuki (SHVS) technology. Additionally, new door sealing systems, based on engineering material usage and seal section optimisation have resulted in FE improvement in the new WagonR.

FUEL EFFICIENCY (FE) IMPROVEMENT OVER PREVIOUS MODELS

New ERTIGA

FE - 19.34 kmpl* (1.5L petrol)

Improvement over previous generation Ertiga

10.5% ↑

New WAGONR

FE - 22.5 kmpl* (1.0L petrol)

Improvement over previous generation WagonR

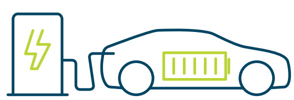
9.7% ↑

* At the time of launch

Future Mobility

In line with the Indian government's focus on mainstreaming of electric vehicles, the Company is focusing on developing hybrid and electric vehicles with technology support from SMC. The Smart Hybrid Vehicle by Suzuki (SHVS) technology, based on mild hybrid technology, was the Company's first step in demonstrating commitment towards electrification.

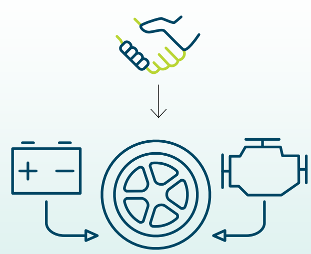
The Company has announced the launch of an electric vehicle in India in 2020. A fleet of 50 prototype electric vehicles are undergoing extensive road tests across multiple terrains and climates, in order to support tuning and validation of such vehicles for Indian conditions.



First prototype electric vehicle based on WagonR showcased at the MOVE Global Mobility Summit held in New Delhi, India

Leveraging SMC's Strategic Partnerships

- Joint venture with Toshiba Corporation and Denso Corporation for setting up automobile Li-ion battery manufacturing plant in Gujarat, India
- Agreement with Toyota Motor Corporation covering areas such as green energy, safety, information technology and mutual supply of products and components



Vehicle Safety

The Company has been upgrading the safety features in its vehicles ahead of the new motor vehicle safety regulations in India, in order to ensure safety for customers and pedestrians. The Company is also undertaking a new engineering project in the area of Advanced Driver Assistance Systems (ADAS), along with technology partners, for making the vehicles as well as roads safer.

SAFETY FEATURES INCORPORATED IN 2018-19	MODELS
Compliant to offset frontal, side impact and pedestrian crash norms	S-Cross, Ciaz, new Ertiga, Brezza, Baleno, new Dzire, new Swift, Ignis, Celerio, new WagonR and Alto (rest of the models will also be compliant to the crash norms ahead of the regulatory timelines)
ABS, seat belt reminder, driver airbag, reverse parking sensor system	All models of the Company comply with these regulations
Co-driver airbag, front seat belt with pre-tensioners and force limiters, high speed warning alert	New Ertiga and WagonR
ISOFIX child seat anchorage (as standard fitment)	New Ciaz, new Ertiga, Baleno and Brezza
Electronic Stability Program (ESP) (first in Indian market)	New Ertiga and Ciaz
Intelligent Tracking System with panic switches (to be available as Maruti Genuine Accessories from 2019-20)	Commercial segment models used as passenger fleet

Comfort Features

The Company is continuously revamping its vehicle designs to make them more comfortable and aesthetically appealing, thus enhancing customer experience.

New WAGONR

- Wider fifth generation platform and efficient layout offering spacious cabin and increased boot space
- Auto-folding outside rear-view mirrors
- Better torsional stiffness to improve handling
- High mounted gear shift to improve ergonomics

New ERTIGA

- Additional third-row space by reducing engine room packaging space
- Projector headlamp with enhanced light spread and on-road reach

CIAZ & BALENO

- LED projector headlamp and LED daytime running lamps

CIAZ

- Auto-levelling feature introduced for automatic adjustment of headlamp beam in static condition with respect to vehicle loading

New-age Infotainment Features

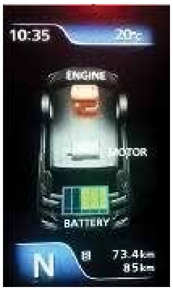
The Company has introduced a host of exciting new features and functionalities in its vehicles that help the customer remain connected while travelling.

Smartplay Studio

Smartplay Dock System

Suzuki Connect

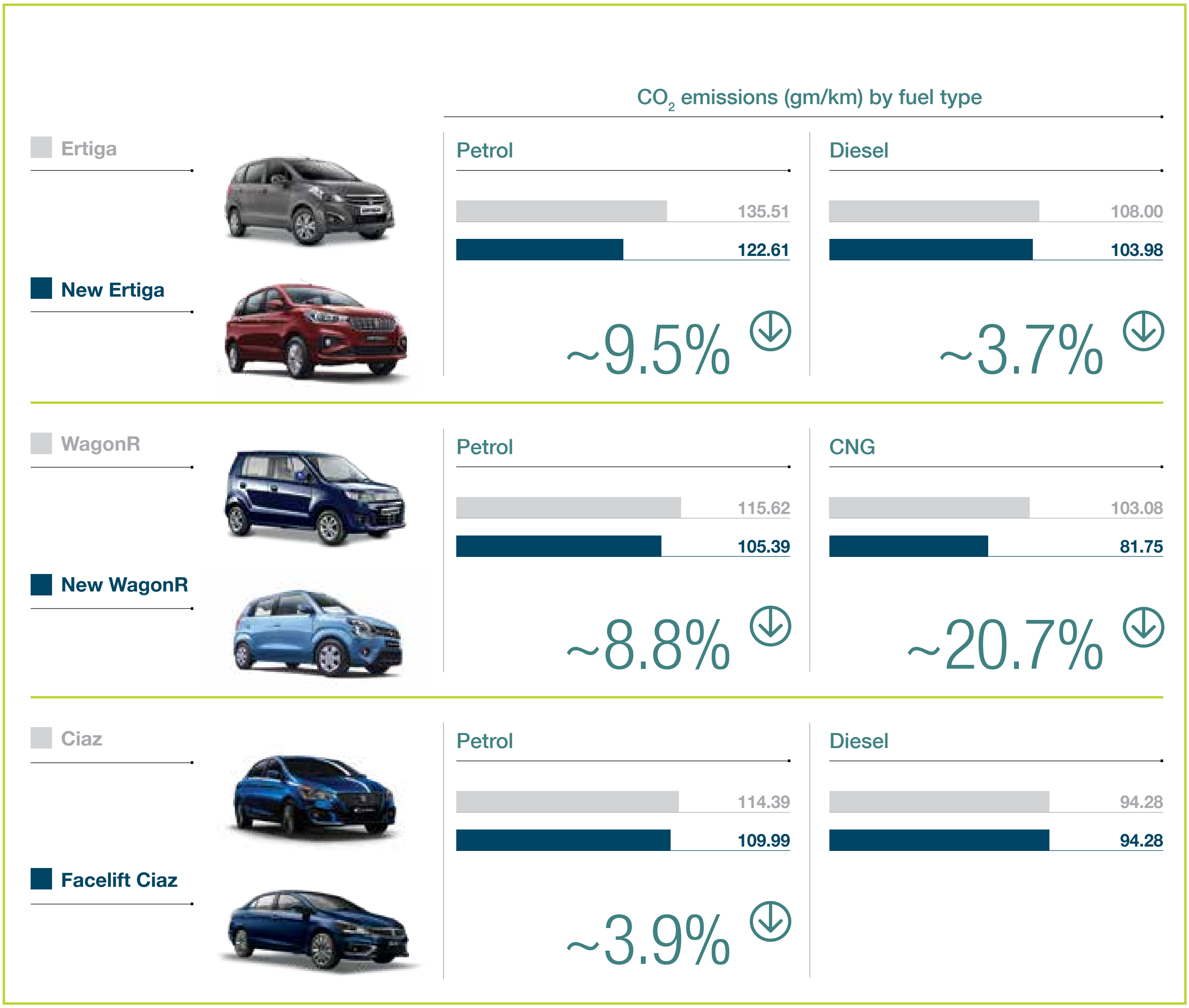
Colour TFT Speedometer



SYSTEMS	FEATURES	MODEL
Connected Infotainment Systems	Computer-aided network capable of displaying vehicle running statistics and safety alerts; also offers cloud connectivity for smartphones providing access to online media content and voice assistant	New WagonR
Smart Play Studio	Advanced infotainment system with a 7” capacitive touchscreen that provides cloud connectivity in addition to traditional features; compatible with Apple Car Play, Android Auto and Suzuki Smartplay app	New WagonR, Baleno
Smart Play Dock	Aspirational infotainment system for entry segment vehicle users, which transforms smartphone into a touch interface for calls, music and navigation; also offers fast charging for smartphones	WagonR
Colour TFT Speedometer	Displays vehicle performance parameters such as energy flow, vehicle running condition and health of secondary battery	New Ertiga, Ciaz
Suzuki Connect	Advanced telematics-based solution providing features such as vehicle tracking, location sharing, preventive functional alerts, trip summary, and driving behaviour	All NEXA range of models

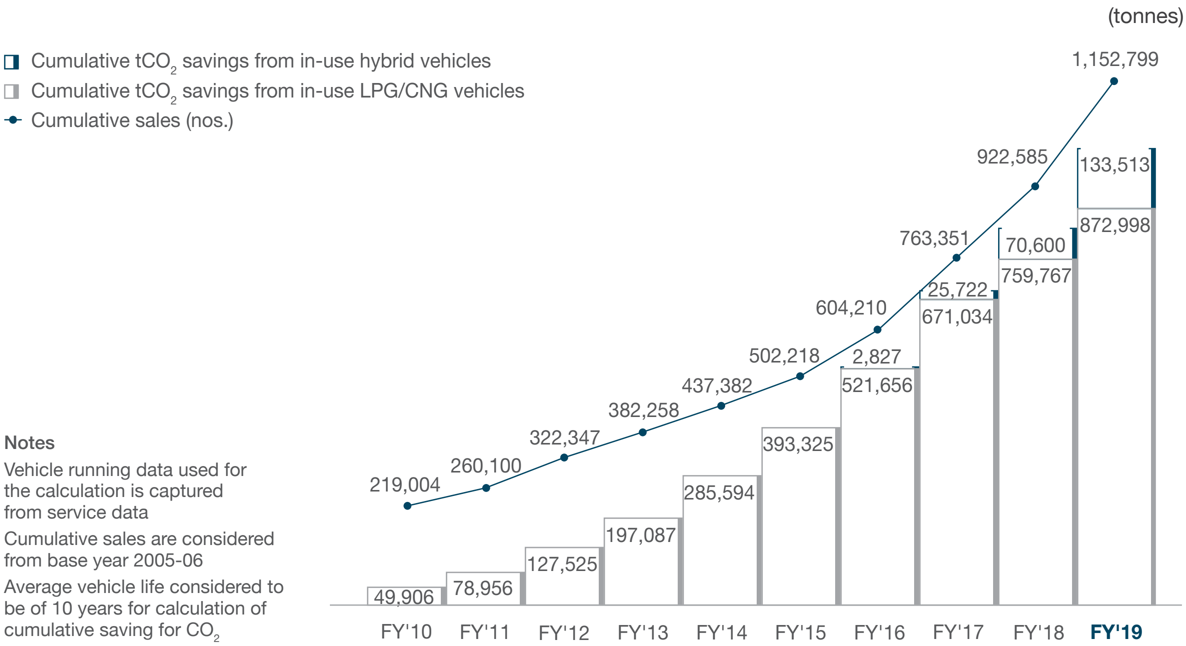
Reducing Product Emissions

CO_2 Reductions in New Products Compared to Previous Models



CO_2 emissions (gm/km)

Cumulative CO_2 Avoidance from usage of Alternate Fuel Vehicles



Notes

Vehicle running data used for the calculation is captured from service data

Cumulative sales are considered from base year 2005-06

Average vehicle life considered to be of 10 years for calculation of cumulative saving for CO_2

End-of-Life Vehicle Management

The Company has adopted systems to limit the use of Substances of Concern (SOC) and meet the norms for Reusability, Recyclability and Recoverability (RRR) as per European Union's End-of-Life Vehicle (ELV) Directive for export markets. As a voluntary measure, these standards have been extended to the products for Indian markets.

During the reporting period, the Company implemented a globally recognised SOC control tool called the International Material Data System (IMDS). Earlier, it was receiving support on IMDS from SMC. Using IMDS, data related to materials used for automobile manufacturing are collected, maintained, analysed and archived. It also helps to quantify recoverable and recyclable materials in vehicles.

The Company's export vehicles are minimum 95% recoverable and 85% recyclable. It has voluntarily started the process to make the domestic models meet norms for recoverability and recyclability, ahead of Indian ELV regulations. Going forward, all upcoming models will meet these standards.

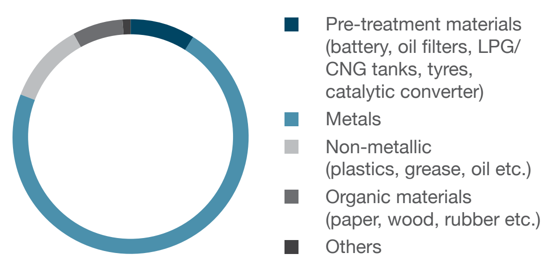
New WagonR, launched in 2018-19, is meeting the Reusability, Recyclability and Recoverability (RRR) norms, ahead of upcoming Indian regulations

95% recoverable

85% recyclable

Material distribution of new WagonR

(based on IMDS)



Li-ion Battery Recycling

Lithium (Li)-ion batteries have higher energy density and lifecycle than conventional batteries and are being increasingly used in hybrid and electric vehicles. However, the safety and environmental concerns associated with these batteries make it necessary to ensure their safe handling and disposal. As the penetration of hybrids and EVs is currently low in India, infrastructure and regulations on Li-ion battery recycling are in a nascent stage. Inspired by the evolved recycling practices in Europe and Japan, the Company is proactively establishing a mechanism for collection, storage and subsequent disposal of Li-ion batteries.

Customer Engagement and Support

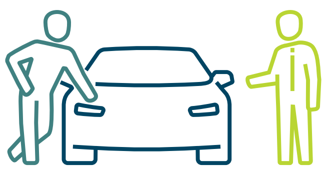
The Company constantly endeavours to build customer trust by offering low cost of maintenance, easy availability of spare parts and wide network of service centres. It focuses on customer connect and carries out customer relationship building activities. These help to create customer delight throughout the vehicle ownership period resulting in loyalty towards the brand.

ROBUST GRIEVANCE REDRESSAL

The Company has a robust customer complaint and grievance redressal mechanism comprising channels such as the Company's website, toll free helpline and social media. The complaint redressal process is well-structured with defined escalation mechanisms, which ensure time-bound resolution.

CONTINUAL CUSTOMER ENGAGEMENT

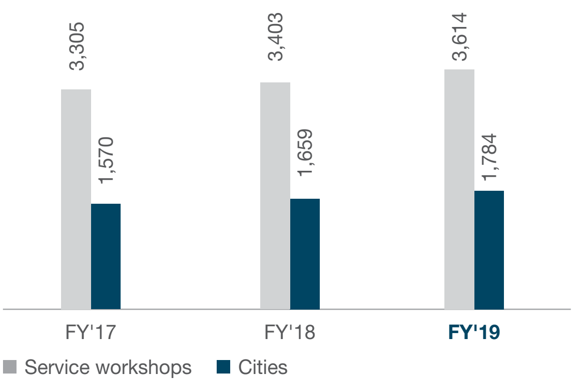
Around 28,000 engagement activities such as customer meets, surveys and free-of-cost vehicle check-up camps were conducted in 2018-19 with participation of over two million customers. Digital communication platforms such as WhatsApp Messenger, e-mail, social media websites and SMS were used for personalised communication.



WIDE SERVICE NETWORK

3,614 service workshops operated across 1,784 cities in India catering to more than 1.5 million customers per month. Select workshops offer seven-days-a-week and night service facilities to provide customers with flexibility of availing services as per their convenience.

Expanding Service Network



MOBILE WORKSHOPS

Doorstep vehicle servicing facility, through 1,398 Maruti Mobile Support (MMS) vehicles operational in 772 cities and 626 rural areas, catered to nearly 80,000 customers per month. This facility is designed for customers who are distant from service infrastructure.

1,398
Maruti Mobile Support (MMS) vehicles

80,000
Customers catered per month

QUICK RESPONSE

The Company's Quick Response Teams (QRT), comprising 415 four-wheelers in 414 cities and 350 two-wheelers in 251 cities attend to nearly 11,400 breakdown calls per month. The quick response service staff are equipped with essential tools and spares, and can attend to customers in a prompt manner. QRT on two-wheelers was introduced in 2018-19.

415
Four-wheelers

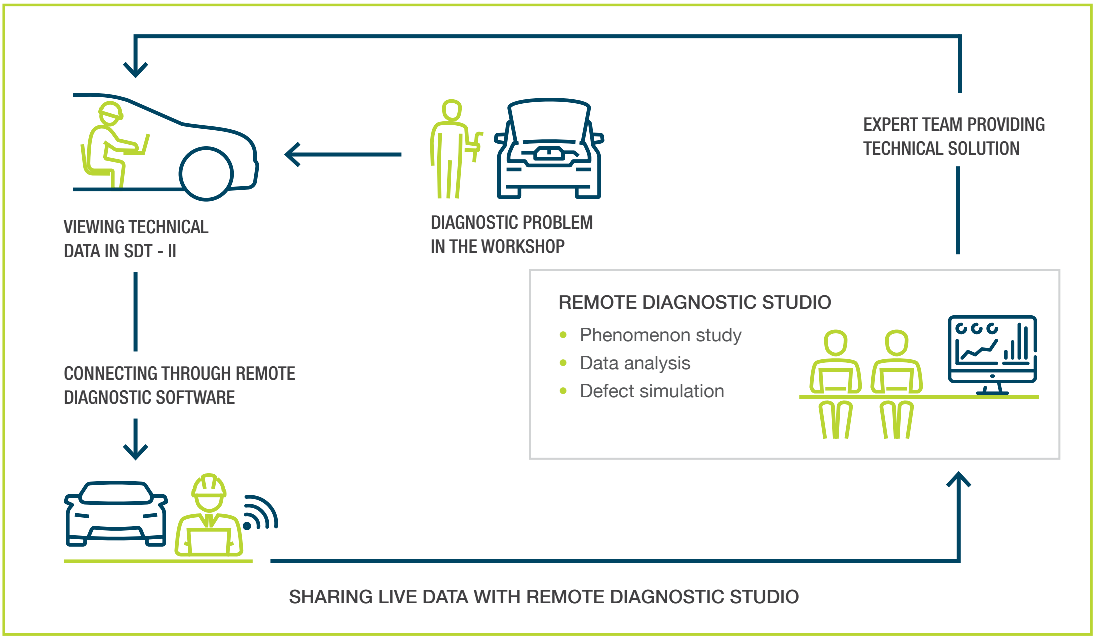
350
Two-wheelers

11,400
Breakdown calls per month

REMOTE DIAGNOSTIC SUPPORT

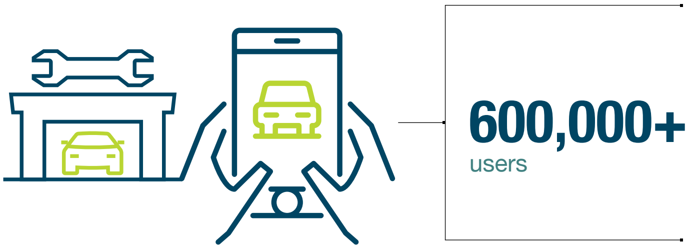
Remote Diagnostic Assist Studio (RDAS) unit at the Company's Gurugram facility extends hands-on diagnostic support to service staff for resolving major technical issues. Through the RDAS, the Company's technical experts can connect with the diagnosed vehicle at the dealer's workshop through software and gather information about its operational parameters and symptoms.

Process flow of Remote Diagnostic Assist System



SERVICE MOBILE APPLICATION

Maruti Care, a mobile-based customer interface application provides customers with facilities such as service booking, workshop locator, cost calculator, driving tips, service records, feedback, service reminders etc. This application has over 600,000 users.



ONLINE CUSTOMER APPROVAL SYSTEM (OCAS)

In order to bring transparency within the process of vehicle servicing, the Company has introduced the Online Customer Approval Systems (OCAS) across its service network. In cases where additional parts or repairs may be required during service, surplus to those initially acknowledged by the customer, an SMS is sent to the customer to approve or reject the additional components.

LABELLING AND INFORMATION

An owner's manual and service booklet is provided to every customer on purchase of a vehicle. The booklet contains information related to safety, operation and maintenance of the vehicle. Critical information on product usage (e.g., AC gas, tyre pressure, brake fluid) is displayed on labels of the products for information and educational purposes.

Capacity Building of Value Chain Partners

The Company's value chain partners, comprising suppliers and dealers, have played an important role in its success over the years. In order to maintain a sustainable business ecosystem, the Company works closely with its value chain partners in areas such as product and service quality, financial stability, business process control, and environmental and social performance, through focused programmes, training and capacity building.

Working with Suppliers

The upstream segment of the Company's value chain consists of a multi-tiered supply chain network. There are 444 Tier-I suppliers with 551 plants, which provide raw material, components and consumables. Of the Tier-I suppliers' plants, 88% are located within 100 km of the Company's manufacturing facilities.

Financial stability, operational resilience and demand responsiveness of the supply chain partners is of paramount importance to the Company's economic performance and business continuity. Therefore, the Company collaborates with its suppliers to ensure quality and timeliness of supplies, while minimising the associated environmental and social footprint.

444
Tier-I suppliers

551
Plants

COMPREHENSIVE EXCELLENCE PROGRAMME

Through its Comprehensive Excellence (CE) programme, the Company aims to upgrade the performance of Tier-I suppliers in areas such as quality, safety, financial capability, human resources and risk management. Based on assessments carried out by the Company, supplier plants are required to implement improvement measures. As on 31st March, 2019, ~50% of the supplier plants were meeting the performance standards laid down under the CE programme.

Training support is provided to the suppliers through the Maruti Centre for Excellence. Through the Maruti Suzuki Suppliers Welfare Association (MSSWA), sessions were conducted during the year to make suppliers aware of the best practices in their peer group and convey the Company's management's expectations. Suppliers demonstrating high performance are awarded at the Company's annual Vendor Conference.

MSSWA Meet

SAFETY PROGRAMMES

The Company is supporting its Tier-I suppliers to identify fire risks in their plants and mitigate them through management focus on risk elimination, quick-detection and suppression, and emergency preparedness. The Company has carried out fire risk assessment of all suppliers.

The Company has started a programme to improve the focus of its Tier-I suppliers' top-management on human safety. The suppliers are being encouraged to adopt safety management system and periodically report their safety performance to the Company. The supplier community is being sensitised on importance of human safety at forums such as MSSWA and Vendor Conference.

Going forward, these programmes will be extended to the Tier-II suppliers.

Status of supplier safety programmes
(as on 31st March, 2019)

- ~90% of supplier plants have implemented fire safety counter measures
- ~75% of the supplier plants have implemented OHSAS 18001

MANAGING WATERLOGGING RISK

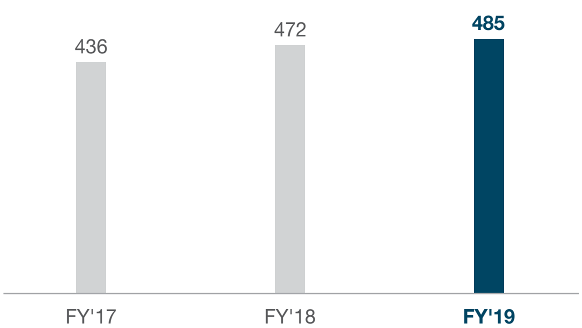
Waterlogging at supplier plants during monsoon has been identified as a cause for supply disruption. To mitigate this risk, the Company has identified vulnerable supplier plants and is helping them upgrade their drainage infrastructure. The Company is also working with suppliers to address the external factors contributing to waterlogging.

GREEN PROCUREMENT

The Company's Green Procurement Guidelines (GPG), based on Suzuki Engineering Standards, set requirements for all component suppliers to avoid the use of Substances of Concern (SOC) such as lead, cadmium, mercury, hexavalent chromium and asbestos in manufacturing processes and products. Suppliers demonstrate compliance by submission of declarations, test reports and part-wise composition details using a globally recognised SOC control tool called the International Material Data System (IMDS).

The GPG encourages suppliers to establish an Environmental Management System (EMS) at their facilities and promote EMS adoption among Tier-II suppliers.

ISO 14001 Certification Status of Supplier Plants



TRAINING OF SUPPLIERS

In order to ensure realisation of desired quality standards, the Company has supported its suppliers conceptually in setting up DOJO Centres at their facilities. These centres help in skilling and re-skilling workers in the areas of quality, safety and productivity. Ninety DOJO centres are operational and the number is expected to increase to 400 by the year 2020. New workers are trained and assessed before joining work and only qualified workers are sent to the shop floor. Need-based training of Tier-I suppliers is carried out through Maruti Suzuki Training Academy (MSTA). Apart from shop-specific trainings, workshops on preventive maintenance, 5S and plant safety are conducted.

DOJO centre

Collaborating with Dealers

The downstream segment comprises 326 dealer partners who operate sales and service channels across India. They play a crucial role in providing customers valuable support during the vehicle ownership period. The dealers are encouraged to adopt the 3S dealership mode – Sales, Service and Spares to provide a one-stop shop for all after-sales requirements. This approach has not only helped to enhance accountability of dealerships towards customer service but also ensured stability of their revenue streams.

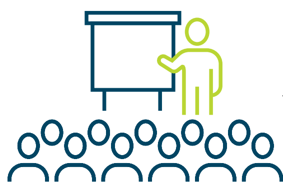
326
Dealer partners

TRAINING OF DEALERS

During 2018-19, the Company trained over 50,000 frontline and managerial sales staff on products, processes and soft skills, through a combination of classroom training and practical exercises. It has developed a digital self-learning platform for dissemination of knowledge and real-time information to the sales staff.

The Company has also trained over 130,000 service staff. The network of Service Training Centres increased from 17 to 170, reducing the average distance to reach nearest training centre from 200 km to 70 km. Additionally, over 450 training centres at dealers' facilities support in-house training of the service staff. Trainings on new and advanced technologies such as smart hybrid, connected cars and advanced petrol engines were introduced. The Service Knowledge Centre, an online portal that collates all service-related information in electronic form, has helped to strengthen dealers' in-house training systems.

During the reporting period, 11 new Automobile Skill Enhancement Centres (ASECs) were set up in Industrial Training Institutes (ITI) for imparting training on trades such as Mechanic Motor Vehicle (MMV), Auto Body Repair (ABR) and Auto Body Paint (ABP) as well as new technologies. Over 3,500 students were trained in 81 ASECs, of which around 900 were recruited in the Company's network.



Service Training Centres increased from
17
to
170

Training of dealers at ASECs

RESOURCE CONSERVATION AT WORKSHOPS

The Company has helped dealers implement various systems at service workshops that lead to resource conservation.

Dry wash systems

In 2018-19, 6.9 million vehicles used the Company's dry wash system saving

~656 million

litres of water

Workshops covered

AUTOMATED OIL MANAGEMENT SYSTEM

System to minimise oil spillage in the workshops and to control and monitor oil consumption, to reduce wastage.

	Workshops covered
FY'17	609
FY'18	752
FY'19	**842**

PAINT-LESS DENT REPAIR SYSTEM

Minor dents repaired without stripping the paint in an environment-friendly, faster and cost-effective manner.

	Workshops covered
FY'17	509
FY'18	564
FY'19	**611**

AUTOMATIC CAR WASHING SYSTEM

Automatic car washing and underbody car washing systems leading to around 20% reduction in water consumption and better washing quality.

	Workshops covered
FY'17	880
FY'18	1,080
FY'19	**1,174**

DRY WASH SYSTEMS

Water-based car wash replaced with chemical-based wash, thereby reducing the washing time, improving the final wash quality, and reducing water consumption by ~656 million litres across the service network.

	Workshops covered
FY'17	1,130
FY'18	1,130
FY'19	**1,804**

People Practices

The Company relies fundamentally on human capital for execution of its business activities, and subsequent creation of value for customers and other internal and external stakeholders. Its market leadership can be attributed to the capabilities, contributions, potential and values of its workforce. It firmly believes in attracting, developing, and retaining competent people, and promotes safe work practices, equal opportunity, continuous engagement and cordial relations.

Workplace Health and Safety

The Company's culture emphasises on values, beliefs, and attitudes around good occupational health and safety practices, which reflect in the actions and behaviour of its employees, from the shop floor to the top management.

Safety vision

Zero incident

Zero human injury and zero fire

SAFETY GOVERNANCE

To ensure compliance with requirements of the Factories Act, 1948 (India), Safety Committees have been established at Manesar, Gurugram and Rohtak, with equal representation from the management and shop floor workers. Additionally, safety committees have been formed at central, vertical, and divisional levels, whose functioning is facilitated by a dedicated safety division headed by a senior official directly reporting to the Managing Director. These committees work towards improving the safety performance of the Company through a collaborative approach.

SAFETY GOVERNANCE SYSTEM

Central Level	Meets once in six months	• Formulates policies • Takes strategic decisions • Reviews safety performance • Guides the vertical committees
Vertical Level	Meets once in four months	• Provides adequate resources and support • Reviews safety performance • Guides the divisional committees
Divisional Level	Meets once in two months	• Implements safety systems • Formulates safety action plans based on performance reviews

SAFETY RISK ASSESSMENT

The Company has framed an improvised hazard risk assessment methodology in alignment with the practices at SMC Japan. It places greater focus on engineering controls while accounting for residual risk, thus making the risk assessment process more comprehensive. The methodology is being rolled out at all locations in a phase-wise manner and trainings are being conducted.

Safety Performance in 2018-19

No lost time injuries and fatalities occurred among the regular and non-regular employees working at the manufacturing facilities and R&D centre.

	FY'17	FY'18	**FY'19**
Lost day rate (per 100 employees)	41.4	18.9	0
Lost time injury rate (per 100 employees)	0.010	0.016	0
Fatalities	2	1	0

Sustainability Performance

Governance Mechanism
Product Innovation and Stewardship
Customer Engagement and Support
Capacity Building of Value Chain Partners
People Practices
Resource Use and Management
Corporate Social Responsibility
GRI Content Index
Alignment with UNGC Principles
Independent Assurance Statement

THEME-BASED SAFETY PROGRAMMES

Based on comprehensive root cause analysis of incidents, various thematic areas for improvement in safety performance are identified. Subsequently, three themes are adopted by each department and improvement plans are prepared and implemented. Examples include machine guarding, Lock-Out-Tag-Out (LOTO) implementation while working on energised systems, and safe material handling, among others.

SAFETY COMMUNICATION AND TRAINING

One of the reasons for the Company's exceptional safety performance is its strong emphasis on communication. The Occupational Safety policy and Safety Basic Principles are displayed across all work locations. Information regarding incidents is circulated to departmental coordinators, in the form of causal factors, key learnings and action plans. Before the commencement of each shift, supervisors conduct safety briefings and toolbox talks to apprise team members of correct operating procedures and associated risks. Mandatory trainings on operation of fire extinguishers and first aid are organised for all employees. Training programmes around task-specific aspects of safety are conducted to help employees execute their work in a safe manner.

Layouts of emergency preparedness plans are made available at various locations, and assembly points are clearly marked. Mock drills related to various identified risk scenarios are conducted on a regular basis.

EMPLOYEE CATEGORY	SAFETY TRAINING PERSON HOURS
Regular employees	15,104
Contractual employees	25,564

Safety Gallery at Paint Shop-1 in Gurugram facility

To demonstrate commitment towards the Company's 'Zero Incident' vision, a state-of-the-art safety gallery was inaugurated in Paint Shop-1 at the Gurugram facility during 2018-19.

The gallery contains a display of Personal Protective Equipment (PPE) and safety devices. New as well as existing employees are given practical trainings and demonstrations based on safety incidents. The trainings also cover safety fundamentals such as Safety Policy, use of PPE, devices and shop floor walking tracks, and hazard identification and mitigation measures.

ROAD SAFETY WITHIN FACILITIES

To ensure the safety of pedestrians inside the facilities, the speed limit for all vehicles was set at 20 km/hr. Zebra crossings and 'Stop-Look-Go' signboards have been provided along major walkways and critical junctions. Messages for pedestrian and vehicle safety are displayed on LED display boards at certain locations. Public address systems are being installed on walkways to propagate information on safe road behaviour through audio messages.

Vendors have been equipped with self-assessment check sheets for truck conditions and truck driver behaviour, and appropriate remedial actions are taken in case of violations.

ZERO SAI CAMPAIGN

As part of Zero Sai initiative, various teams or Safety Circles are formed, which work together to identify hazards and develop focused action plans on workplace safety. During 2018-19, over 250 Safety Circles (each circle comprising at least six members) had registered from both production and non-production areas. Various in-house competitions around improvement of occupational safety were organised.

Winning team from the Zero Sai 2018 campaign held at SMC, Japan

Workforce

As on 31st March, 2019, the Company had 33,180 employees including 15,892 regular (of which 28 were differently-abled) and 17,288 non-regular employees working at various offices and manufacturing facilities.

BREAK-UP OF WORKFORCE (REGULAR EMPLOYEES) BY EMPLOYEE CATEGORIES

CATEGORY	FY'17	FY'18	FY'19
Regular employees (Assistant engineer and above, associates/technicians and trainees including Company Trainees, Junior Engineer Trainees and Graduate Engineer Trainees)	14,178	14,940	15,892
Apprentices (non-regular employees)	2,548	2,454	2,534
Other non-regular employees* (Contractual/temporary workers, student trainees)	12,643	17,121	14,754
Total workforce	29,369	34,515	33,180

*Excludes contractual employees from non-production verticals such as security, housekeeping, canteen and fire safety.

BREAK-UP OF WORKFORCE (REGULAR EMPLOYEES) BY AGE GROUP AND GENDER

	LESS THAN 30 YEARS		30 - 50 YEARS		MORE THAN 50 YEARS		TOTAL
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
Top management			108	1	87	2	198
Mid management	4		251	4	63	1	323
Junior management	2,584	271	2,840	168	281	7	6,151
Supervisors	1,814	89	1,428	17	101	1	3,450
Associates	1,432		4,198	8	124	8	5,770
Total	5,834	360	8,825	198	656	19	15,892

GENDER DIVERSITY AND INCLUSION

The Company is working progressively towards implementation of initiatives around gender diversity and inclusion. Commitment towards equity in employment, recognition and advancement has greatly assisted the Company in maintaining a good work culture. Using a focused approach in this direction, the Company is driving a Gender Diversity and Inclusion initiative – WINGS (Women in Network, Growth, and Success) for empowerment of women at work and promotion of an inclusive work environment.

Team Synergy Competition during Inclusion Week

Inclusion Week (5^{th}-9^{th} March, 2019)

The WINGS journey started on International Women's Day with the celebration of 'Inclusion Week'. Multiple activities were planned across the week to encourage inclusivity including leadership talk, sensitisation of stakeholders and sharing of diverse success stories.

EMPLOYEE WELLBEING

The Company has invested significant resources to strategically create benefit schemes for its regular as well as contractual employees.

All regular employees are covered under the Hospitalisation policy, together with their dependent children and parents. Contractual employees are covered under the Government's Employees' State Insurance Corporation social security and health insurance schemes. The Company also facilitates a housing scheme for workers to enable them to own a home. Subsidised meals are provided to regular staff, while free meals are served to contractual staff. Life insurance, healthcare, disability coverage, and retirement benefits, among other provisions are also provided to the employees.

The Company's leave structure is designed considering regulatory requirements and provides earned, sick, and maternity leaves for employees. During 2018-19, 49 female employees availed maternity leave, of which 28 completed their leave and re-joined within the reporting period.

INDUSTRIAL RELATIONS

The Company respects the right of employees to form and join a union. Its management officially recognises three employee unions, one each at its Gurugram facility, Manesar vehicle manufacturing facility and Manesar Powertrain facility. These are internal and independent labour unions and their elections are held as per union by-laws. A minimum notice period of 21 days, as per regulatory requirements, is typically given to employees prior to implementation of any significant change in the conditions of service, that could affect them substantially. All three unions and the management regularly engage with each other through constructive dialogue and collective bargaining.

Trust and transparency form the foundation of the Company's engagement with its employees. Strong connect has been established with employees at the grassroot level, through a continuous communication system coupled with a robust grievance redressal mechanism. The Managing Director's monthly meetings with the unions and the senior management's regular meetings with unions, associates and supervisors are a testament to the Company's comprehensive communication plan.

Long-Term Settlement (2018-21) with Unions

To address workers' requirements and concerns over terms of employment and working conditions, the Company organised a Long-Term Settlement in November 2018, between its management and all three unions.

A Cross-Functional Team (CFT) comprising employees from HR and Production, as well as key union executives was formed to act upon the identified topics. This CFT conducted extensive deliberations upon the workers' demands and conducted benchmarking with similar manufacturing industries. A Memorandum of Understanding, on wage settlement, was signed on 3rd November, 2018 under Section 18(1) of Industrial Disputes Act, 1947 read with Section 2(p) and was registered with the concerned government authority. This wage agreement was applicable retrospectively from 1st April, 2018 and will be applicable till 31st March, 2021.

Parivar Milan - Family connect initiative

TALENT ACQUISITION AND RETENTION

The Company strives to acquire and retain talent by providing good employee benefits, work-life balance and a conducive work environment. In the reporting period, 1,432 regular employees were recruited, while 480 employees separated from the Company. The attrition rate for regular employees stood at 3%. To assess and improve HR practices, comprehensive exit interviews are conducted with the outgoing employees.

NEW HIRES BY AGE GROUP AND GENDER

	LESS THAN 30 YEARS		30 - 50 YEARS		MORE THAN 50 YEARS		TOTAL
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
Top and senior management	-	-	4	-	1	-	5
Mid management	3	-	27	-	-	-	30
Junior management	754	81	137	6	1	-	979
Supervisors	335	12	15	2	-	-	364
Associates	47	-	7	-	-	-	54

TURNOVER* BY AGE GROUP AND GENDER

	LESS THAN 30 YEARS		30 - 50 YEARS		MORE THAN 50 YEARS		TOTAL
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
Top and senior management	-	-	2	-	8	1	11
Mid management	1	-	11	-	12	-	24
Junior management	201	23	69	8	69	3	373
Supervisors	22	2	2	2	14	-	42
Associates	3	-	6	-	21	-	30

*Turnover comprises employees who left the Company (includes resignation, retirement, death in service and others)

The Company offers a comprehensive suite of programmes, tools and interventions that facilitate robust performance and career management for the workforce. Regular feedback is provided to the employees, enabling them to grow in their professional space. All employees have clearly articulated goals for performance. The annual performance appraisal helps define new goals and identifies competency development needs. Each eligible regular employee received a formal performance appraisal and review during the reporting period.

LEARNING AND DEVELOPMENT

Maruti Suzuki Training Academy (MSTA), the training arm of the Company, aims to drive business excellence through its learning and development framework, which has been developed in consultation with SMC. A learning map is assigned for each employee across various levels through MSTA's training structure. Additionally, learning gaps are identified through an online development centre and thereafter, capacity-building interventions are designed to address the same.

The MSTA trainings cover behavioural, technical, functional and safety topics. There is a structured band-wise behavioural training programme covering a wide array of topics. The technical training topics are decided in consultation with different departments. Training in Japanese language and culture is also imparted on need basis. Employees are groomed for taking part in the World Skill Competitions. Superannuation planning workshops are conducted covering topics such as financial investment and health.

EMPLOYEE TRAINING PROGRAMMES

Senior management	• Developing people skills • Strategic thinking and personal effectiveness	• Transformational leadership • Subordinate development
Middle management	• Creativity and learnability • Conceptual thinking	• Transformational leadership • Subordinate development
Junior management	• Business ethics • Conflict management • Assertive skills • Decision-making	• Personal drive to excel • Empowerment and delegation • Collaboration • Creativity and learnability
Associates & Supervisors	• Trust building • Discipline • Anger/conflict management • Transfer of knowledge	• Nurturing new associates • Shop-floor communication • Taking ownership

To ensure effective delivery and comprehensive coverage of various training programmes, MSTA makes use of various technology interfaces.

TECHNOLOGY IMPLEMENTED	BENEFITS
Virtual classroom (Web studio)	• Based on remote delivery model (two-way communication) • Enables asynchronous learning across geographies
Mobile learning (e-Gurukul app)	• Micro e-learning sessions • Video sessions and guest lecture series • Assessment at fingertips (zero paper usage)
Learning e-dashboards	• Learning and development analytics dashboards for business heads • Personalised dashboards for distinct work areas

AVERAGE EMPLOYEE TRAINING HOURS

	MALE	FEMALE
Top management	22.82	12.00
Mid management	20.24	14.40
Junior management	82.25	93.15
Supervisors	47.15	52.93
Associates	48.61	3.38

Total Employee Training Person-Hours

Resource Use and Management

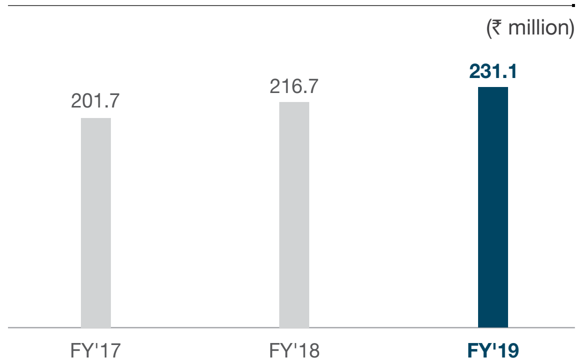
The Company translates inputs from the natural capital (such as raw materials, energy and water) into products and services for its customers and boosts the stock of other (e.g. financial and manufactured) capitals. Environment protection is a key priority for the Company. Its environment policy conveys its commitment towards sustainable use of natural resources, reducing the pressure on environment and working collaboratively with customers, suppliers and the surrounding communities. The Company has carried out Environmental Impact Assessment (EIA) during the setting up and expansion of its manufacturing facilities and has accordingly implemented Environmental Management Plans. It has also implemented ISO 14001 - Environment Management System to improve its environmental performance. In order to improve its environmental footprint, the Company has proactively undertaken initiatives around reducing emissions, avoiding use of substances of concern, conserving energy and water, and recycling and reusing resources.

RAW MATERIAL USE AND RECYCLING

Guided by the Japanese manufacturing concept of 'Leaner, Neater, Shorter and Smarter', the Company continually strives to reduce the use of raw materials in the design and manufacturing of products.

Through the 'One Gram, One Component' programme, the Company has been able to make progressively lighter and fuel-efficient vehicles, while simultaneously reducing raw material consumption and increasing cost competitiveness. Yield improvement activities are carried out with suppliers to conserve key raw materials used in manufacturing components such as sheet metal, plastics, rubber, fabrics, electrical and casting items.

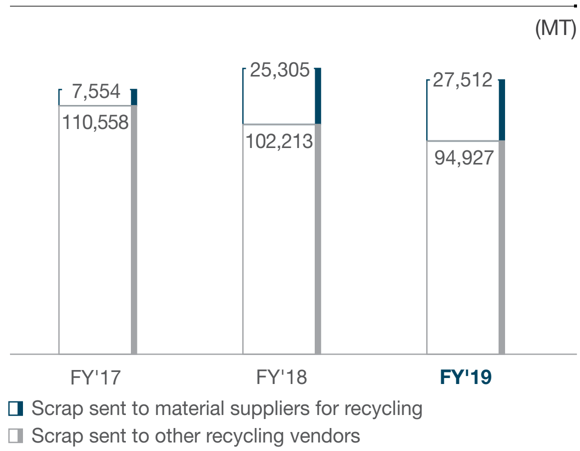
Savings through Yield Improvement at Suppliers' End



The details of key raw materials and components consumed by the Company, which include steel coils, ferrous castings, non-ferrous castings and paint, are given in Note to the Financial Statements (page no. 219).

To ensure effective utilisation of waste, the scrap generated from the manufacturing processes is sent to material suppliers and other recycling vendors. Aluminium and trim scrap are recycled into ingots and steel waste is transformed into smaller sheet metal parts.

Scrap Quantity Recycled



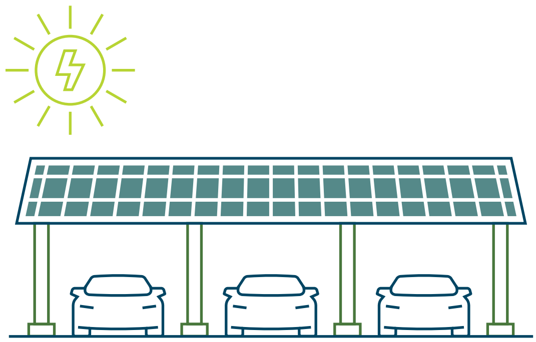
ENERGY AND EMISSIONS MANAGEMENT

Energy is one of the critical inputs to the production process at the Company. A major share of its energy requirement is met through natural gas. Gurugram and Manesar facilities have natural gas based captive power plants which cater to the electrical energy requirements of various operations. Natural gas is also used across both facilities to meet thermal energy requirements of various processes.

The Company is steadily increasing the share of solar power in its energy portfolio. In 2018-19, a photovoltaic solar plant of 0.3 MWp was set up at the Manesar vehicle manufacturing facility, increasing the total installed capacity of solar power at the Company to 1.3 MWp. The solar power generated is synchronised with the power generated from natural gas to collectively cater to the internal energy needs.

Additionally, the construction of a 5 MWp photovoltaic solar plant has commenced at the Gurugram facility and is expected to be commissioned in the year 2020. A unique feature of this plant is its carport-style layout. It will work as a roof for a vehicle parking area. While the solar panels generate clean energy, the vehicles parked underneath will be protected from adverse weather conditions.

Planned carport style 5 MW PV solar plant at Gurugram facility



Area
32,985 sq. m.

Annual output
7,010 MW

CO_2 savings (Estimated)
5,390 tCO_2

Investment
~₹ 240 million

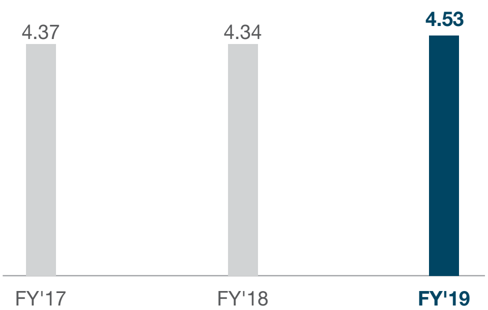
ENERGY USE BY TYPE (GJ)

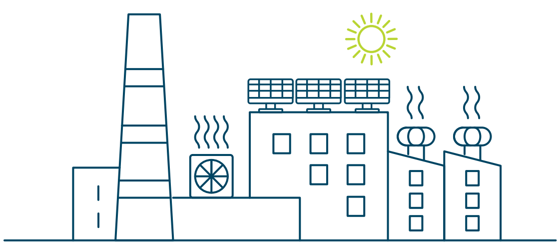
	ENERGY USE	FY'17	FY'18	FY'19
Energy Inputs	Natural Gas*	7,121,604	7,609,163	7,759,461
	HSD*	201,431	187,856	182,513
	LPG and Propane	22,959	28,425	29,113
	Gasoline	30,916	26,821	32,674
	Solar	4,797	4,706	4,684
	Purchased Electricity	142,401	147,262	157,681
Electricity supplied to Company's vendors		187,359	197,879	181,437

* Energy inputs are inclusive of fuel used (natural gas and HSD) to generate electricity for supply to Company's vendors located in vendor parks at Gurugram and Manesar

Energy Intensity

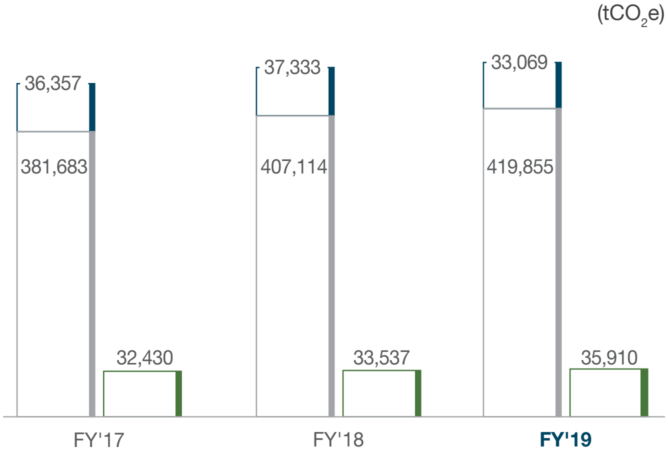
(GJ per vehicle manufactured)**





** Excludes energy consumed for manufacturing engine and other auto parts for Suzuki Motor Gujarat Private Limited and Suzuki Motorcycles India Private Limited, and for supplying electricity to the Company's vendors located in vendor parks at Gurugram and Manesar.

GHG Emissions by Type

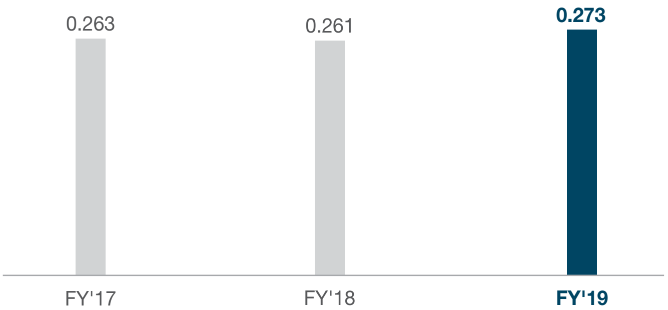


- From energy consumed for generating electricity for supply outside the Company (Scope 1)
- From energy consumed for the Company's own operations (Scope 1)
- From purchased electricity (Scope 2)

Note: Scope 1 and Scope 2 emissions are calculated on the basis of the IPCC 2006 Guidelines for National Greenhouse Gas Inventories and User Guide (Version 12.0) of Central Electricity Authority (Ministry of Power, Government of India).

The Company's overall energy consumption and GHG emissions have risen in the reporting period on account of increase in the supply of engines and other auto parts to Suzuki Motor Gujarat Private Limited and Suzuki Motorcycles India Private Limited. Additionally, the number of engine trials and vehicle testing at Rohtak also increased during the reporting period.

GHG Intensity



* Excludes GHG emissions from energy consumed for manufacturing engine and other auto parts for Suzuki Motor Gujarat Private Limited and Suzuki Motorcycles India Private Limited, and from energy consumed for supplying electricity to the Company's vendors located in vendor parks at Gurugram and Manesar.

Capital investment in 2018-19 towards energy conservation mechanisms and equipment is mentioned in Annexure - D of the Board's Report (page no. 110). The energy saving initiatives undertaken in the reporting period include:

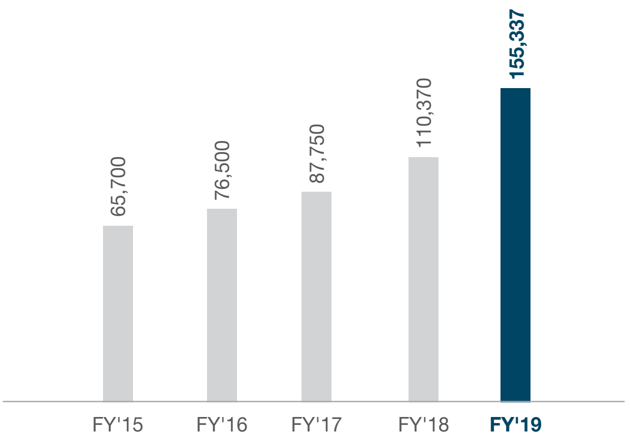
- Modification of gas turbine software to modulate inlet guide vane (IGV) and improve efficiency at low loads at Gurugram facility
- Optimisation of operation of air showers in paint shops resulting in saving of compressed air at Gurugram facility
- Installation of Variable Frequency Drives (VFD) on pumps and compressors across Manesar facility
- Installation of energy efficient pumps for industrial water supply across Rohtak facility
- Optimisation of running of circulation fans in paint booth at Gurugram facility

Increasing multi-modal dispatches through rail

The Company has been predominantly using carrier trucks for dispatch of finished vehicles from its facilities to dealer destinations across the country and gateway ports for exports. Considering the logistics, manpower and environment-related challenges associated with long-haul road transport, the Company has been steadily increasing the share of vehicle dispatch through the rail mode using specially designed rakes it owns.

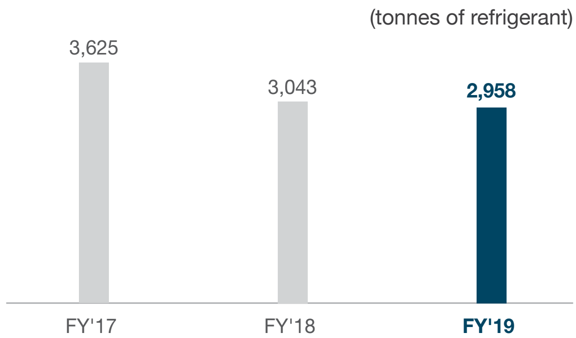
During 2018-19, 155,337 vehicles (amounting to more than 8% of the vehicles sold) were transported through rail. The Company is exploring opportunities to come up with in-plant sidings at Manesar and Hansalpur plant to further enhance volumes and operational efficiency of dispatches.

Vehicles Disptached through Rail Mode



The Company is committed to eliminate the use of Ozone-Depleting Substances (ODS) at its facilities. It is gradually reducing its inventory of R-22, which is currently contained in condensers, chillers and air-conditioning units, and intends to procure equipment with only non-ODS refrigerants. During 2018-19, there was a 2.8% reduction in total ODS inventory compared to the previous year.

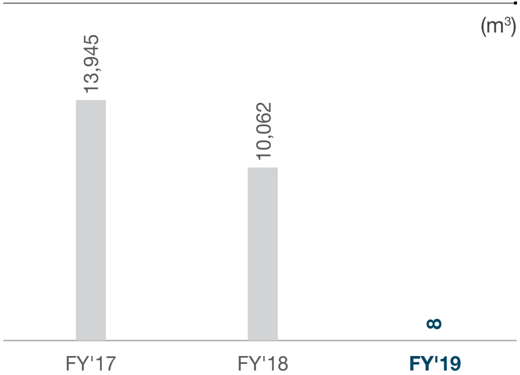
ODS (R-22) Inventory



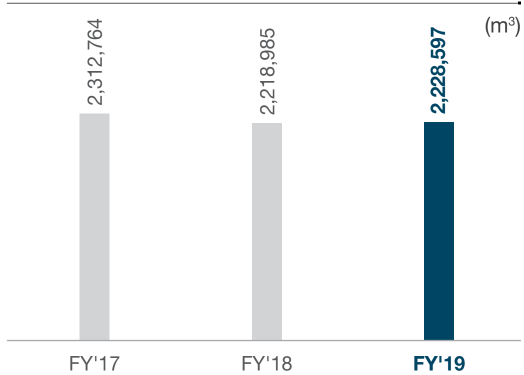
WATER AND WASTEWATER MANAGEMENT

The Company strives to reduce fresh water consumption in manufacturing processes and maximise wastewater recycling. Acknowledging the pressure on ground water resources in the areas of its operations, the dependence on ground water has progressively been reduced over the years. In 2018-19, only 8 m^3 ground water was consumed representing a significant decline compared to the previous year.

Ground Water Consumption



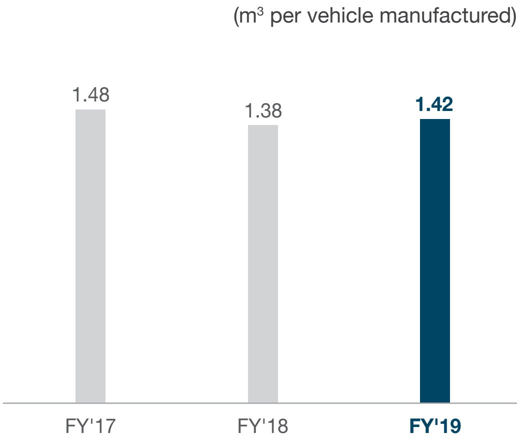
Surface Water Consumption



Effluent treatment plant at Gurugram facility

In 2018-19, the water intensity for manufacturing operations increased by 3% due to lower production volumes.

Water Intensity



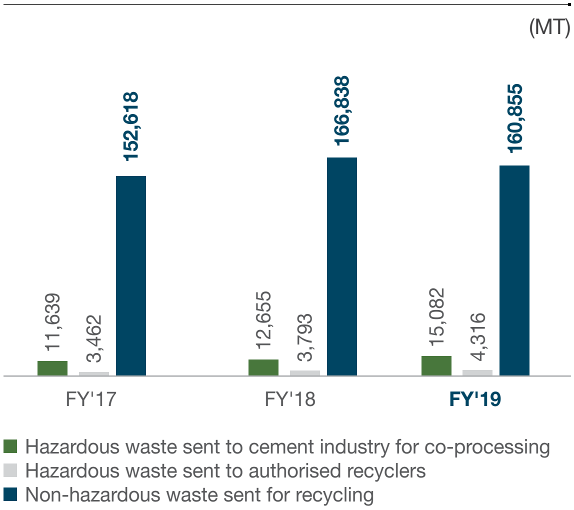
The key water saving initiatives taken by the Company during the reporting period include the use of recycled water in place of fresh water for lime preparation at Manesar facility, backwash of Ultrafiltration (UF) units at Manesar facility and roof top solar panel cleaning at Gurugram facility.

The Company's commitment towards improving its water footprint is demonstrated by its zero water discharge initiative. During 2018-19, there was no discharge of wastewater outside facility premises. The wastewater from the manufacturing facilities is treated through in-house Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) and recycled for process and horticultural purposes, thereby keeping it in a closed loop within the facilities. In the reporting period, the volume of wastewater recycled was ~62% of the total water demand (fresh water and treated water) of the facilities.

WASTE MANAGEMENT

The Company follows the 3R principle of waste management. Handling, storage and disposal are carried out after proper segregation according to the waste types. A major portion of the hazardous waste (such as process sludge and ETP sludge) is sent to the cement industry for co-processing. The remaining portion of the hazardous waste (such as used oil, contaminated barrels and cloth) is sent to authorised recyclers.

Waste Disposal



Corporate Social Responsibility

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 6 CLEAN WATER AND SANITATION | 8 DECENT WORK AND ECONOMIC GROWTH | 11 SUSTAINABLE CITIES AND COMMUNITIES

The Company recognises the need and responsibility to maintain harmonious relations with neighbouring communities and provide support for their economic and social development. Additionally, the Company acknowledges its responsibility to address broader social issues relevant to the automobile industry in India, namely road safety and skill development. The Company's social development projects in the areas of community development, road safety and skill development are aligned with national and international human development goals. The Company undertakes need assessment during project design, and impact assessment during the project lifecycle, in order to ensure timely and efficient execution of its social development strategies. The initiatives are being implemented through the Maruti Suzuki Foundation as per the Company's Corporate Social Responsibility (CSR) Policy under the guidance of the Board.

COMMUNITY DEVELOPMENT

The Company focuses on social development programmes in 26 villages around its areas of operations in Haryana and Gujarat in order to support the local communities. During the reporting period, the Company continued to implement village development programmes, created in consultation with village councils (panchayats), in the areas of water, sanitation, education and community assets.

Water	• Provision of potable water through financially self-sustainable water ATMs (21 in 20 villages)
Sanitation	• Laying of sewer lines • Construction of household toilets (4,345 in 26 villages) • Collection and disposal of solid waste

Education	• Supporting 50 schools in Gurugram through:
	  • Provision of support teachers for select subjects
	  • Trainings for teachers
	  • Provision of teaching aids
	  • Renovation of classrooms
	  • Provision of drinking water
	  • Construction of toilets

Community assets	• Construction and renovation of paved roads (32 km in 11 villages) • Construction and renovation of community halls

Waste Management

Water ATM

Detailed assessments for new projects in the areas of waste management and rainwater harvesting were undertaken in Manesar in line with local needs.

The Company has partnered with Podar Education Network, a leading educational service provider, in order to establish, manage and operate a school in Sitapur, Gujarat. This school will be affiliated to the Central Board of Secondary Education and Podar Education Network will design the curriculum. The school will offer education with emphasis on overall personality development of the students. Its primary wing is expected to become functional from March 2020.

The Company has partnered with Zydus Hospitals (Ramanbhai Foundation), a leading provider of healthcare services, to establish a hospital in Sitapur, Gujarat. It is expected to serve over ~300,000 persons residing in and around Sitapur. Starting with a 50-bed facility by April 2021, the hospital will be expanded to 100 beds.

Persons to be served by the hospital in Sitapur, Gujarat

~300,000+

SKILL DEVELOPMENT

The automobile industry in India is growing steadily and is expected to continue creating demand for skilled workers. The Company's skill development programmes are aimed at providing the youth with dignified and rewarding employment opportunities in manufacturing and service sectors.

Japan India Institute for Manufacturing (JIM) and the model Industrial Training Institute (ITI) set up by the Company at Ganpat Vidyanagar in Mehsana, Gujarat, saw the first batch of 254 students graduate during the reporting period. All the students were suitably placed. Conceived through a collaboration between the Governments of Japan and India to create a pool of skilled manpower for the Indian manufacturing industry, JIM supports the Make in India and Skill India initiatives of the Government of India. It offers National Council for Vocational Training (NCVT) approved technical training in eight trades related to automobiles manufacturing. Additionally, a course on Japanese manufacturing practices and processes covering soft skills such as Kaizen, 5S, and 3G, is integrated with the NCVT curriculum for all the trades. The curriculum of this course at JIM has been developed by the Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS), Japan under guidance of Ministry of Economy, Trade and Industry (METI), Japan. Unique features such as mini vehicle assembly line, engine assembly line, safety lab, virtual welding simulators and spot-welding equipment provide hands-on training to students to make them industry-ready.

Hands-on training sessions

Model workshop at JIIM

The Company continued to support over 110 government ITIs across the country, as per a five-year ITI development plan. Various intervention areas under this plan include upgrading workshop infrastructure, providing training on manufacturing trades, enhancing industry exposure for trainers and students, and imparting soft skills to make students industry-ready. The automobile trades of Motor Mechanic Vehicle, Auto Body Paint, Auto Body Repair are upgraded in supported ITIs, as per the skills required at automobile workshops. 61% of students evaluated from the automobile trades at supported ITIs cleared the Suzuki Basic test (technical and psychometric aspects) compared to 40% from the non-adopted ITIs. In all, over 8,000 students graduated from the Government ITIs supported by the Company.

8,000+

students graduated from the Government ITIs supported by the Company

During the reporting period, the Company contributed to the setting up of International Automobile Centre of Excellence (i-ACE), a state-of-the-art institute for automobile training and research in Ahmedabad, Gujarat. The model and curriculum for i-ACE has been developed in line with industry requirements and projected skill gap in the sector. The offerings of this programme are based on the automobile industry requirements and the existing level of training provisions in India.

Graduation ceremony at JIM Mehsana

ROAD SAFETY

Besides enhancing customer and pedestrian safety by providing advanced safety features in vehicles ahead of regulations, the Company has also been undertaking social initiatives targeting different aspects of road safety management.

The Company continued its efforts to improve driving skills through the seven Institutes of Driving Training and Research (IDTRs) that it manages in association with state governments. The IDTRs use scientifically designed test tracks, driving simulators and a well-defined course curriculum to train new and existing drivers. During the reporting period, 391,761 persons were trained under learner, refresher and evaluation courses.

Recently, the Company has undertaken two road safety projects using state-of-the-art technology in the national capital, in collaboration with Government authorities. Through this initiative, the Company endeavours to create models which, based on their impact, may be replicated in other parts of the country.

In partnership with Delhi Police, the Company has implemented an advanced Traffic Safety Management System (TSMS) on a 19 km stretch from Mayapuri to Sarai Kale Khan, an important urban arterial road in Delhi with high density traffic. The TSMS comprises 3D radars and high-resolution cameras that simultaneously capture traffic light and speed violations while transmitting the information to the central control room of Delhi Police, from where an e-challan (e-penalty slip) is sent to the offender by SMS. The project has been completed by the Company. It will provide technological support and functional expertise for a period of two years.

The Company has also partnered with the Transport Department of Delhi to set up 12 Automated Driving Test Centres to reform the drivers' licence issuance system by making it more transparent, stringent and efficient. These centres are equipped with test tracks to evaluate driving skills as per the Central Motor Vehicles Act. They are being equipped with high resolution cameras to capture real-time footage of tests, in addition to a suite of analytics-based assessment tools and application of biometrics. As on 31st March, 2019, four such centres have been made operational. The Company will provide technical support to these centres for a period of three years.

Launch of Traffic Safety Management System

Launch of the first Automated Driving Test Centre at Delhi

GRI Content Index

GRI STANDARD (2016)	GRI TITLE	REFERENCE SECTION	PAGE NO.
102-1	Name of the organisation	Report profile	1
102-2	Activities, brands, products, and services	Company profile; Management discussion and analysis	4; 136
102-3	Location of headquarters	Facilities in India	4
102-4	Location of operations	Facilities in India	4
102-5	Ownership and legal form	Company profile; Notes to the financial statements	4; 165
102-6	Markets served	Company profile	4
102-7	Scale of the organisation	Company profile; Management discussion and analysis; Notes to the financial statement	4; 136; 165
102-8	Information on employees and other workers	People practices	57
102-9	Supply chain	Working with suppliers	53
102-10	Significant changes to the organisation and its supply chain	Report profile; Capacity building of value chain partners	1; 53
102-11	Precautionary principle or approach	Resource use and management	63
102-12	External initiatives	Report profile	1
102-13	Membership of associations	Policy advocacy practices	44
102-14	Statement from senior decision-maker	Message from the Chairman; Message from the MD and CEO	16; 18
102-16	Values, principles, standards, and norms of behaviour	Company profile; Code of business conduct and ethics	4; 43
102-18	Corporate governance structure	Corporate governance structure	42
102-40	List of stakeholder groups	Stakeholder engagement; Material topics	32; 34
102-41	Collective bargaining agreements	Industrial relations	60
102-42	Identifying and selecting stakeholders	Stakeholder engagement	32
102-43	Approach to stakeholder engagement	Stakeholder engagement	32
102-44	Key topics and concerns raised	Stakeholder engagement	32
102-45	Entities included in the consolidated financial statements	Notes to the consolidated financial statements	231
102-46	Defining report content and topic boundaries	Report profile	1
102-47	List of material topics	Material topics	34
102-48	Restatements of information	Report profile	1
102-49	Changes in reporting	Report profile; Material topics	1; 34
102-50	Reporting period	Report profile	1
102-51	Date of most recent report	Report profile	1
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102-55	GRI content index	GRI content index	71
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103	Management approach	Management discussion and analysis	136
201-1	Direct economic value generated and distributed	Notes to the financial statements	165
201-3	Defined benefit plan obligations and other retirement plans	Notes to the financial statements	165
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Compliance management	43

GRI STANDARD (2016)	GRI TITLE	REFERENCE SECTION	PAGE NO.
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302-1	Energy consumption within the organisation	Energy and emission management	64
302-3	Energy intensity	Energy and emission management	64
302-5	Reduction in energy requirements of products and services	Fuel efficiency	46
303-1	Water withdrawal by source	Water and wastewater management	66
303-3	Water recycled and reused	Water and wastewater management	66
305-1	Direct (Scope 1) GHG emissions	Energy and emission management	64
305-2	Energy indirect (Scope 2) GHG emissions	Energy and emission management	64
305-4	GHG emissions intensity	Energy and emission management	64
305-5	Reduction of GHG emissions	Energy and emission management	64
305-6	Emissions of ozone-depleting substances	Energy and emission management	64
306-1	Water discharge by quality and destination	Water and wastewater management	66
306-2	Waste by type and disposal method	Waste management	67
307-1	Non-compliance with environmental laws and regulations	Compliance management	43
308-1	New suppliers that were screened using environmental criteria	Green procurement	54
401-1	New employee hires and employee turnover	Talent acquisition and retention	61
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee wellbeing	60
401-3	Parental leave	Employee wellbeing	60
402-1	Minimum notice periods regarding operational changes	Industrial relations	60
403-1	Workers representation in formal joint management–worker health and safety committees	Safety governance systems	57
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Workplace health and safety	57
404-1	Average hours of training per year per employee	Learning and development	62
404-2	Programmes for upgrading employee skills and transition assistance	Learning and development	62
404-3	Percentage of employees receiving regular performance and career development reviews	Talent acquisition and retention	61
405-1	Diversity of governance bodies	Corporate governance structure; Workforce	42; 59
413-1	Operations with local community engagement, impact assessments, and development programmes	Corporate social responsibility	68
419-1	Non-compliance with laws and regulations in the social and economic area	Compliance management	43

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UNGC PRINCIPLE	DESCRIPTION	REFERENCE SECTION	PAGE NO.
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Code of business conduct and ethics; Prevention of sexual harassment; Respecting human rights	43; 43; 43
Principle 2	Business should make sure they are not complicit in human rights abuses	Code of business conduct and ethics; Prevention of sexual harassment; Respecting human rights	43; 43; 43
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Industrial relations	60
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour	Respecting human rights	43
Principle 5	Businesses should uphold the effective abolition of child labour	Respecting human rights	43
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Code of business conduct and ethics; Gender diversity and inclusion	43; 60
Principle 7	Businesses should support a precautionary approach to environmental challenges	Resource use and management	63
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility	Product innovation and stewardship; Resource use and management	45; 63
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Product innovation and stewardship; Resource use and management	45; 63
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Code of business conduct and ethics	43

DNV·GL

Independent Assurance Statement

Scope and Approach

DNV GL Business Assurance India Private Limited ('DNV GL') has been engaged by the Management of Maruti Suzuki India Limited ('MSIL', or the 'Company', Corporate Identity Number L34103DL1981PLC011375) to undertake an independent assurance of the Company's non-financial performance disclosures in its Annual Integrated Report 2018-19 ('the Report') in its printed format. This Report has been prepared by the Company based on the Guiding Principles and Content Elements of the International Integrated Reporting ('<IR>') Framework of the International Integrated Reporting Council ('IIRC') along with disclosures selected from the Global Reporting Initiative's ('GRI's') Sustainability Reporting Standards ('GRI Standards') and also references to other initiatives including the National Voluntary Guidelines on Social, Environmental and Economic ('NVG-SEE') and the United Nations Global Compact ('UNGC') to bring out the Content Elements of <IR>.

We performed a limited level of assurance using DNV GL's assurance methodology VeriSustainTM[1], which is based on our professional experience, international assurance best practices including International Standard on Assurance Engagements 3000 ('ISAE 3000') Revised* and the GRI's Principles for Defining Report Content and Quality. In doing so, we evaluated the qualitative and quantitative non-financial disclosures presented in the Report against the reporting requirements of <IR> framework together with MSIL's protocols for measurement, monitoring, recording and reporting of non-financial information. The agreed scope of work included the assurance of qualitative and quantitative information on non-financial performance which have been disclosed in the Report for the identified material topics, covering performance for the activities undertaken by the Company during the reporting period 1st April 2018 to 31st March 2019.

The intended user of this Assurance Statement is the Management of the Company. Our assurance engagement was planned and carried out in May 2019 – July 2019. The scope and boundaries of the non-financial performance disclosures is as set out in the Report in the sections 'Report Profile' and 'Material Topics'.

The information on financial capital including economic performance, expenditure towards Corporate Social Responsibility ('CSR') and other financial parameters are based on audited financial statements issued by the Company's statutory auditors, which is subject to a separate independent audit process and not included in our scope of work.

Responsibilities of the Management of MSIL and of the Assurance Provider

The Management of MSIL has the sole accountability for the preparation of the non-financial disclosures in this Report and are responsible for integrity of all information disclosed in the printed version of the Report as well as the processes for collecting, analysing and reporting the information presented within the Report. In performing assurance work, our responsibility is to the Management; however, this statement represents our independent opinion and is intended to inform the outcome of our assurance to the stakeholders of MSIL.

We provide a range of other services to MSIL none of which in our opinion, constitute a conflict of interest with this assurance work. Our assurance engagement is based on the assumption that the Company has provided us data and information during our review in good faith and free from any misstatements. We were not involved in the preparation of any statement or data included in the Report except for this Assurance Statement and Management Report highlighting our assessment findings for future reporting. We expressly disclaim any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Basis of our Opinion

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion for providing a limited level of assurance by adopting a risk-based approach, i.e. we concentrated our verification efforts on the issues of material relevance to Company. As part of our engagement, a multi-disciplinary team of sustainability and assurance specialists performed work at MSIL's Corporate Office at New Delhi and sample facilities at Gurugram and Manesar in Haryana, India and undertook the following activities:

[1] The VeriSustain protocol is available on request from www.dnvgl.com

* Assurance Engagements other than Audits or Reviews of Historical Financial Information.

DNV·GL

- Reviewed MSIL's approach to addressing the requirements of <IR> including stakeholder engagement and its materiality determination process. We did not have any direct engagement with external stakeholders;
- Verified the value creation disclosures related to the six capitals, and claims made in the Report;
- Assessed the robustness of the data management system, data accuracy, information flow and controls for the reported disclosures;
- Site visits to sample facilities to review processes and systems for preparing site level non-financial data and implementation of sustainability strategy. We were free to choose sites for conducting assessments;
- Interviewed selected top and senior management of the Company and other representatives, including data owners and decision-makers from different functions of the Company to validate the disclosures made in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver the Company's sustainability objectives;
- Examined and reviewed documents, data and other information made available by the Company related to non-financial performance disclosures related to the identified material topics;
- Performed sample-based reviews of the mechanisms for implementing the Company's sustainability related policies, as described in the Report;
- Performed sample-based checks of the processes for generating, gathering and managing the quantitative data and qualitative information included in the Report.

During the assurance process, we did not come across limitations to the scope and boundary of the agreed assurance engagement.

Opinion and Observations

On the basis of the verification undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe MSIL's adherence to the criteria of reporting (Guiding Principles and Content Elements) related to <IR>, representation of the material topics, business model, disclosures on value creation through six capitals, related strategies and management approach, and non-financial performance related to the identified material topics using selected GRI Standards.

Without affecting our assurance opinion, we also provide the following observations against the principles of VeriSustain:

Materiality

The process of determining the issues that is most relevant to an organisation and its stakeholders

MSIL has identified and brought out topics which are material to both its business and its stakeholders within the Report. The Company has carried out a revalidation of material topics considering the views and opinions of both internal and external stakeholders and linked its material topics to the six capitals of <IR> and the UN Sustainable Development Goals (SDGs). Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality. However, the Company may further strengthen its process of materiality determination by incorporating the sustainability context/external environment, sector-specific norms, and value creation in its capitals over the short, medium and long term.

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability

The Report brings out how MSIL has identified its key stakeholder groups (employees, customers, shareholders and investors, suppliers, dealers, local community, and government and regulatory authorities), processes for engaging with them on periodic and ongoing basis to identify their key concerns. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Inclusivity; however, the Report may bring out the key concerns raised by specific stakeholder groups and MSIL's responses to these concerns.

Responsiveness

The extent to which an organisation responds to stakeholder issues

MSIL has used the outcomes of its stakeholder engagement exercises in determining material topics based on impact of each topic against the six capitals. The Report brings out the Company's responses to identified material matters through its policies, strategy and resource allocation, management approach and governance mechanisms, aimed towards achieving its long-term vision. The Report has also attempted to bring out MSIL's responses to identified sustainability topics, and risks and significant factors linked to the external environment which affects the Company. Further, it is suggested that the Report may bring out additional performance indicators related to impacts on six capitals for the identified material topics, based on <IR> framework. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of responsiveness.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems

MSIL has established protocols for measurement, monitoring, recording and reporting of non-financial information. The majority of data and information verified at the Corporate Office and sampled sites were found to be accurate. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These identified errors were communicated and subsequently corrections were made. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability; however, MSIL may further strengthen its data capturing mechanisms through formal processes for internal review and validation of qualitative and quantitative disclosures.

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders are reported

The Report has fairly brought out the key Content Elements of <IR> including value creation through six capitals, business model, strategy and resource allocation, governance mechanisms, risks and opportunities, and non-financial performance indicators considering the scope and boundary of its reporting, which excludes MSIL's joint ventures, subsidiaries and other entities over which MSIL has a sphere of control or influence.

Neutrality

The extent to which a report provides a balanced account of an organisation's performance, delivered in a neutral tone

The Report has brought out sustainability issues, responses to key challenges and the Company's performance and factors in the external environment that impact the Company's value creation processes in a fairly neutral tone, in terms of content and presentation. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

For DNV GL Business Assurance India Private Limited

KIRAN RADHAKRISHNAN
Lead Verifier
Senior Assessor
DNV GL Business Assurance India Private Limited,
India

NANDKUMAR VADAKEPATTH
Lead Verifier
Head - Regional Sustainability Operations
DNV GL Business Assurance India Private Limited,
India

Bengaluru, India, 25th July 2019

Glossary of Abbreviations

ABBREVIATION	FULL FORM
ABP	Auto Body Paint
ABR	Auto Body Repair
ABS	Anti-lock Braking System
AC	Air Conditioner
ADAS	Advanced Driver Assistance Systems
AGS	Auto Gear Shift
AHSS	Advanced High Strength Steel
AOTS	Association for Overseas Technical Cooperation and Sustainable Partnerships
ASSOCHAM	Associated Chambers of Commerce and Industry of India
ATM	Automated Teller Machine
BS	Bharat Stage
BSE	Bombay Stock Exchange
CAFE	Corporate Average Fuel Economy
CCI	Competition Commission of India
CE	Comprehensive Excellence
CEO	Chief Executive Officer
CFT	Cross Functional Team
CII	Confederation of Indian Industry
CMVR	Central Motor Vehicles Rules
CNG	Compressed Natural Gas
COBCE	Code of Business Conduct and Ethics
CSR	Corporate Social Responsibility
EBIT	Earnings Before Interest and Taxes
EIA	Environmental Impact Assessment
ELV	End-of-Life Vehicle
EMC	Electro-Magnetic Compatibility
EMS	Environmental Management System
ESP	Electronic Stability Program
ETP	Effluent Treatment Plant
EV	Electric Vehicle
FE	Fuel Efficiency
FICCI	Federation of Indian Chambers of Commerce and Industry
FY	Financial Year
GHG	Greenhouse Gas
GJ	Giga Joules
GPG	Green Procurement Guidelines
GRI	Global Reporting Initiative
HR	Human Resources
HSD	High Speed Diesel
i-ACE	International Automobile Centre of Excellence
ICOTY	Indian Car of the Year
IDTR	Institute of Driving Training and Research
IGV	Inlet Guide Vane
IIRC	International Integrated Reporting Council
IMDS	International Material Data System
IMF	International Monetary Fund
IPCC	Intergovernmental Panel on Climate Change
IPR	Intellectual Property Rights
ISO	International Organization for Standardization
IT	Information Technology

ABBREVIATION	FULL FORM
ITI	Industrial Training Institute
JIM	Japan India Institute for Manufacturing
KL	Kilo Litres
LED	Light Emitting Diode
LOTO	Lock Out Tag Out
LPG	Liquified Petroleum Gas
MD	Managing Director
METI	Ministry of Economy, Trade and Industry
MMS	Maruti Mobile Support
MMV	Mechanic Motor Vehicle
MSIL	Maruti Suzuki India Limited
MSSWA	Maruti Suzuki Suppliers Welfare Association
MSTA	Maruti Suzuki Training Academy
MT	Metric Tonnes
MW	Mega Watt
NCVT	National Council for Vocational Training
NSE	National Stock Exchange
NVG-SEE	National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business
NVH	Noise, Vibration and Harshness
OBD	On Board Diagnostics
OCAS	Online Customer Approval System
ODS	Ozone Depleting Substance
OHSAS	Occupational Health and Safety Assessment Series
PAT	Profit After Tax
POSH	Prevention of Sexual Harassment
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
QRT	Quick Response Team
RDAS	Remote Diagnostic Assist Studio
RDE	Real Driving Emissions
ROCE	Return on Capital Employed
ROE	Return on Equity
RRR	Reusability, Recyclability and Recoverability
SEBI	Securities and Exchange Bureau of India
SHVS	Smart Hybrid Vehicle by Suzuki
SIAM	Society of Indian Automobile Manufacturers
SMC	Suzuki Motor Corporation
SMG	Suzuki Motor Gujarat
SMS	Short Message Service
SOC	Substances of Concern
STP	Sewage Treatment Plant
TFT	Thin Film Transistor
TMC	Toyota Motor Corporation
TSMS	Traffic Safety Management System
UF	Ultrafiltration
UHSS	Ultra High Strength Steel
UNGC	United Nations Global Compact
VA-VE	Value Analysis & Value Engineering
VFD	Variable Frequency Drive
WINGS	Women in Network, Growth and Success


VITARA
BREZZA

Statutory Reports

Board's Report

Your Directors have pleasure in presenting the 38th annual report together with the audited financial statements for the year ended 31st March, 2019.

Financial Results

The Company's financial performance during 2018-19 as compared to the previous year 2017-18 is summarised below:

(₹ in million)

Particulars	2018-19	2017-18
Total revenue	885,813	818,082
Profit before tax	104,656	110,034
Tax expense	29,650	32,816
Profit after tax	75,006	77,218
Retained Earnings		
Balance at the beginning of the year	363,008	313,189
Profit for the year	75,006	77,218
Other comprehensive income arising from remeasurement of defined benefit obligation*	(284)	(131)
Amount transferred to employee welfare fund	(772)	-
Income on funds earmarked for employee welfare fund	(36)	-
Amount transferred to scientific research fund	(772)	-
Payment of dividend on equity shares	(24,166)	(22,656)
Corporate dividend tax paid	(4,968)	(4,612)
Balance at the end of the year	407,016	363,008

*net of income tax of ₹ 151 million (previous year ₹ 65 million)

Financial Highlights

The total revenue (net of excise) was ₹ 885,813 million as against ₹ 818,082 million in the previous year showing an increase of 8.28%. Sale of vehicles in the domestic market was 1,753,700 units as compared to 1,653,500 units in the previous year showing an increase of 6.1%. Total number of vehicles exported was 108,749 units as compared to 126,074 units in the previous year showing a decrease of 13.7%.

Profit before tax (PBT) was ₹ 104,656 million against ₹ 110,034 million showing a decrease of 4.89% and profit after tax (PAT) stood at ₹ 75,006 million against ₹ 77,218 million in the previous year showing a decrease of 2.86%.

Dividend

The Board recommends a dividend of ₹ 80 per equity share of ₹ 5/- each for the year ended 31st March, 2019 amounting to ₹ 29,134 million including dividend distribution tax of ₹ 4,968 million. The Company has formulated a dividend distribution policy which forms part of the annual report.

Operational Highlights

The operations are exhaustively discussed in the 'Management Discussion and Analysis' forming part of the annual report.

Consolidated Financial Statements

In accordance with Indian Accounting Standard (IND AS) - 110 on Consolidated Financial Statements read with Indian Accounting Standard (IND AS) - 28 on Investments in Associates and Joint Ventures, the audited consolidated financial statements are provided in the annual report.

A report containing the names of the companies which have become or ceased to become subsidiaries, joint ventures and associates, their performance, financial position and their contribution to the overall performance of the Company as required by the Companies Act, 2013 ('Act') is provided as an annexure to the consolidated financial statements and hence are not repeated here for the purpose of brevity. (Form AOC-1)

Annual Return

The details forming part of the extract of the annual return in Form MGT-9 is attached as **Annexure - A**. The annual return of the Company for the year 2017-18 is available on its website at https://www.marutisuzuki.com/corporate/investors/company-reports.

Material Subsidiaries

In accordance with Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has a policy for determining material subsidiaries. The policy is available on its website at https://marutistoragenew.blob.core.windows.net/msilintiwebpdf/Policy_on_Subsidiary_Companies.pdf

Particulars of Loans, Guarantees and Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes forming part of the financial statements.

Board Meetings

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, five board meetings were held, the details of which are given in the Corporate Governance Report.

Audit Committee

For composition of the audit committee, please refer to the Corporate Governance Report.

Independent Directors

The Company has received declarations of independence in accordance with the provisions of Section 149 of the Act and Listing Regulations from all the Independent Directors. The details of the familiarisation programmes for the Independent Directors are available on the website of the Company at https://marutistoragenew.blob.core.windows.net/msilintiwebpdf/Familiarization_Programme.pdf

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained, in terms of Section 134 of the Act, your Directors state that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations provided relating to material departures, if any;

b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) internal financial controls were followed by the Company and they are adequate and are operating effectively; and

f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Directors and Key Managerial Personnel (KMP)

Mr. Toshihiro Suzuki and Mr. Kazuhiko Ayabe shall retire by rotation in the ensuing Annual General Meeting of the Company. The Board in its meeting held on 27th March, 2019 re-appointed Mr. Kenichi Ayukawa as the Managing Director & CEO of the Company for a period of three years with effect from 1st April, 2019.

Risk Management

Pursuant to Regulation 21 of Listing Regulations, the Company has a Risk Management Committee, the details of which are given in the Corporate Governance Report. The Company has a risk management policy and identified risks and taken appropriate steps for their mitigation. For more details, please refer to the Management Discussion and Analysis (MD&A).

Internal Financial Controls

Internal financial controls have been discussed under 'CEO/CFO Certification' in the Corporate Governance Report.

Vigil Mechanism

The Company has in place an established and effective mechanism called the Whistle Blower Policy (Policy). The mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees. It protects employees wishing to raise concern about serious irregularities, unethical behaviour, actual or suspected fraud within the Company.

The Chairman of the audit committee is the ombudsperson and direct access has been provided to the employees to contact him through e-mail, post and telephone for reporting any matter.

Related Party Transactions

The Company has a policy on related party transactions which is available on the Company's website at https://marutistoragenew.blob.core.windows.net/msilintiwebpdf/Policy_on_Related_Party_Transactions.pdf In terms of Section 134(3) (h) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, there was no transaction to be reported in Form AOC 2. The disclosure with respect to the transactions with promoter and promoter group which is holding 10% or more of the shareholding in the Company are given in the notes forming part of the financial statements.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its committees. The evaluation criteria, inter-alia, covered various aspects of the functioning of the Board and its committees including composition, attendance of Directors, participation levels, bringing specialised knowledge for decision making, smooth functioning and effective decision making. The Board and the committees had been effective in achieving their respective charters of monitoring the overall performance of the Company, overseeing the performance of the management and thus upholding high standards of corporate governance. The Board and the committee meetings were run efficiently and the members acted with sufficient diligence and care. The Board and its committees had the needed diversity in terms of talent, competence, knowledge, gender and experience and had maintained high standards of corporate governance through their working, functioning and decision making. The performance of individual directors including the Independent Directors was evaluated on parameters such as level of engagement and contribution to the affairs of the Company including by way of attendance in Board and committee meetings, ability to discharge their duties and obligations diligently in the best interest of the Company, ability to provide effective leadership and checks and balances towards sustaining the highest levels of corporate governance in particular towards risk assessment and management, exercising duty of care and skill in the discharge of their functions, level of independence of judgment and safeguarding the interest of the Company and its minority shareholders. Considering the good performance of the Company in most spheres and the value delivered to all stakeholders, including customers, shareholders, the community and others, it was apparent that Directors had been diligent, meticulous and faithful in the performance of their duties. The Directors expressed their satisfaction with the evaluation process. The Board also noted that the Independent Directors had fulfilled the independence criteria as specified in the Listing Regulations and were independent from the management.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy is attached as **Annexure B**.

Corporate Social Responsibility (CSR)

The annual report on CSR activities containing details of CSR Policy, composition of the CSR committee and other prescribed details are given in **Annexure C**.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti- Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also complied with its provisions relating to the constitution of Internal Complaints Committee to redress complaints received regarding sexual harassment.

The status of the complaints received by the Company during the year is as under:

a)	Number of complaints filed	3
b)	Number of complaints disposed of	2
c)	Number of complaints pending as on the end of financial year	1

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information in accordance with Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached as **Annexure D**.

Corporate Governance

The Company has complied with the corporate governance requirements, as stipulated under the Listing Regulations. A certificate of compliance by auditors shall form part of the annual report.

Secretarial Audit Report

In accordance with the provisions of Section 204 of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed M/s RMG & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit for 2018-19. The report on secretarial audit is attached as **Annexure E**. The report does not contain any qualification.

Secretarial Standards

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

Management Discussion and Analysis Report

The annual report has a detailed report on management discussion and analysis.

Personnel

As required by the provisions of Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of the employees are set out in **Annexure F**. However, as per the provisions of Section 136 of the Act, the annual report is being sent to all the members of the Company excluding the aforesaid information. The said information is available for inspection by the members at the registered office of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

Cost Auditors and Records

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, M/s R.J. Goel & Co., Cost Accountants, New Delhi (Registration No. 000026) were appointed as the Cost Auditors of the Company to carry out the cost audit for 2019-20. The maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is required by the Company and such accounts and records are made and maintained.

Auditors

The auditors, M/s Deloitte Haskins & Sells LLP were appointed in the 35th Annual General Meeting and hold their office till the conclusion of the 40th Annual General Meeting.

CRISIL Ratings

The Company was awarded the highest financial credit rating of AAA/stable (long term) and A1+ (short term) on its bank facilities by CRISIL. The rating underscores the financial strength of the Company in terms of the highest safety with regard to timely fulfillment of its financial obligations.

Quality

The Company has established and is maintaining an environment management system. During the year, surveillance audit for ISO-14001 was carried out by M/s AVI, Belgium for the manufacturing plants located at Gurugram, Manesar and R&D Centre in Rohtak. The auditors recommended continuance of ISO-14001 for all manufacturing facilities.

The quality management system of the Company is certified after the ISO 9001:2015 standard. Re-assessment of the quality systems is done at regular intervals and re-certification assessments are done every three years by an accredited third party agency. The Company has an internal assessment mechanism to verify and ensure adherence to defined quality systems across the Company.

Awards/Recognition/Rankings

Mr. Kenichi Ayukawa was awarded "Best CEO (Large Companies)" by Business Today third time in a row. Mr. R. C. Bhargava was bestowed with "Lifetime Achievement Award" by CNBC Awaaz Annual CEO Awards 2018.

The Company received many awards/recognitions/ rankings during the year. Some of these are mentioned hereunder:

- 'Company of the year, 2018' by Business Standard.
- 'Marketer of the year' at Marquees 2018 and 'Gold Award' for employee communication for its seat belt campaign #PehniKya? by South Asia Sabre.
- 'Best of 2018' by AutoX Awards.
- Swift won the following awards by AutoX:
  - Car of the year.
  - 'Indian Car of the year' (ICOTY)' third time in a row.
- Ertiga won the following awards:
  - Best 'MPV' of the year by AutoX and Autocar Awards 2019.
  - 'Car of the year' and 'Value for money car of the year' by Autocar Awards 2019.
- Super Carry won the 'Prime Time' Award.
- '4 Good' rating by The Economic Times for all-round excellence in the field of Corporate Social Responsibility.

Acknowledgment

The Board of Directors would like to express its sincere thanks for the co-operation and advice received from the Government of India, Haryana Government and the Gujarat Government. Your Directors also take this opportunity to place on record their gratitude for timely and valuable assistance and support received from Suzuki Motor Corporation, Japan. The Board also places on record its appreciation for the enthusiastic co-operation, hard work and dedication of all the employees of the Company including the Japanese staff, dealers, vendors, customers, business associates, auto finance companies, state government authorities and all concerned without which it would not have been possible to achieve all round progress and growth of the Company. The Directors are thankful to the members for their continued patronage.

For and on behalf of the Board of Directors

R.C. Bhargava	**Kenichi Ayukawa**
Chairman	Managing Director & CEO

New Delhi
25th April, 2019

Annexure - A

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

i. CIN	L34103DL1981PLC011375
ii. Registration Date	24/02/1981
iii. Name of the Company	Maruti Suzuki India Limited
iv. Category/sub-category of the Company	Company limited by shares
v. Address of the registered office and contact details	Plot No. 1, Nelson Mandela Road Vasant Kunj, New Delhi- 110 070 Ph. no.: 011-46781134
vi. Whether listed company	Yes
vii. Name, address and contact details of registrar and transfer agent, if any	Karvy Fintech Private Limited Karvy Selenium Tower- B, 8th Floor, Plot 31-32, Gachibowli, Financial District Nanakramguda, Serilingampally. Hyderabad- 500 032, Telangana Ph. no.: 040-67162222 Fax no.: 040-23001153 Toll free No.: 1800-345-4001

II. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turnover of the Company:

S. No.	Name and description of the main products/ services	NIC code of the product/ service	% to total turnover of the Company
1.	Manufacture of passenger cars	29101	86.92%

III. Particulars of Holding, Subsidiary and Associate Companies:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Suzuki Motor Corporation	N.A.	Holding	56.21%	2(46)
2.	True Value Solutions Limited	U74999DL2002PLC113814	Subsidiary	100.00%	2(87)
3.	J.J. Impex (Delhi) Private Limited	U74140DL1976PTC008245	Subsidiary	50.87%	2(87)
4.	Bharat Seats Limited	L34300DL1986PLC023540	Associate	14.81%	2(6)
5.	Caparo Maruti Limited	U74899DL1994PLC058269	Associate	25.00%	2(6)
6.	Hanon Climate Systems India Private Limited	U34300DL1991PTC046656	Associate	39.00%	2(6)
7.	Jay Bharat Maruti Limited	L29130DL1987PLC027342	Associate	29.28%	2(6)
8.	Krishna Maruti Limited	U34300HR1991PLC032012	Associate	15.80%	2(6)
9.	Machino Plastics Limited	L25209HR2003PLC035034	Associate	15.35%	2(6)
10.	SKH Metals Limited	U74130HR1986PLC023655	Associate	37.03%	2(6)
11.	Nippon Thermostat (India) Limited	U29309TN1994PLC027555	Associate	10.00%	2(6)
12.	Bellsonica Auto Component India Private Limited	U35923HR2006FTC036301	Associate	30.00%	2(6)
13.	Mark Exhaust Systems Limited	U32204DL1993PLC055905	Associate	44.37%	2(6)
14.	FMI Automotive Components Private Limited	U34201DL2007PTC170043	Associate	49.00%	2(6)
15.	Maruti Insurance Broking Private Limited	U74999DL2010PTC210739	Associate	46.26%	2(6)
16.	Manesar Steel Processing India Private Limited	U27205HR2010PTC041264	Associate	11.83%	2(6)
17.	Magneti Marelli Powertrain India Private Limited	U40300HR2007PTC046166	Joint Venture	19.00%	2(6)
18.	Plastic Omnium Auto Inergy Manufacturing India Private Limited	U35914HR2010PTC040501	Joint Venture	26.00%	2(6)
19.	Bahucharaji Rail Corporation Limited	U45101GJ2018SGC105602	Associate	33%	2(6)

IV. Shareholding Pattern (equity share capital breakup as percentage of total equity)

i) Category-wise shareholding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total share	Demat	Physical	Total	% of total share	
A. Promoters									
1. Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other…	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1):-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
2. Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	169,788,440	0	169,788,440	56.21	169,788,440	0	169,788,440	56.21	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other…. (Qualified Foreign Investor)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2):-	**169,788,440**	**0**	**169,788,440**	**56.21**	**169,788,440**	**0**	**169,788,440**	**56.21**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**169,788,440**	**0**	**169,788,440**	**56.21**	**169,788,440**	**0**	**169,788,440**	**56.21**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	17,338,791	0	17,338,791	5.74	18,002,281	0	18,002,281	5.96	0.22
b) Banks/ FI	17,267,709	0	17,267,709	5.72	22,481,441	0	22,481,441	7.44	1.73
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	76,093,800	0	76,093,800	25.19	67,377,517	0	67,377,517	22.30	-2.89
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any other (Qualified Foreign Investor)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	**110,700,300**	**0**	**110,700,300**	**36.65**	**107,861,239**	**0**	**107,861,239**	**35.71**	**0.94**
2. Non-Institutions									
a) Bodies Corp.	8,804,292	0	8,804,292	2.91	7,899,094	0	7,899,094	2.61	-0.30
b) Individual									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10,025,205	4,527	10,029,732	3.32	12,994,175	3,450	12,997,625	4.30	0.98
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	447,923	0	447,923	0.15	296,742	0	296,742	0.10	-0.05
c) Others									
i) Foreign Nationals	177	0	177	0.00	146	0	146	0	0.00
ii) Non Resident Indian	393,082	0	393,082	0.13	482,927	0	482,927	0.16	0.03
iii) Clearing Member	194,230	0	194,230	0.06	492,290	0	492,290	0.16	0.10
iv) Trusts	1,533,442	0	1,533,442	0.51	2,015,825	0	2,015,825	0.67	0.16
v) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0	0
vi) RI Non-Repartriation	188,442	0	188,442	0.06	245,732	0.08	245,732	0.08	0.02
Sub-total (B)(2):-	**21,586,793**	**4,527**	**21,591,320**	**7.15**	**24,426,931**	**3,450**	**24,430,381**	**8.09**	**0.94**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**132,287,093**	**4,527**	**132,291,620**	**43.79**	**132,288,170**	**3,450**	**132,291,620**	**43.79**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**302,075,533**	**4,527**	**302,080,060**	**100.0**	**302,076,610**	**3,450**	**302,080,060**	**100.00**	**0.00**

ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Suzuki Motor Corporation	169,788,440	56.21	-	169,788,440	56.21	-	-
	Total	**169,788,440**	**56.21**	**-**	**169,788,440**	**56.21**	**-**	**-**

iii) Change in promoter's shareholding : There is no change

	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	N.A.	N.A.	N.A.	N.A.
Date wise increase/ decrease in promoter's shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity, etc):	N.A.	N.A.	N.A.	N.A.
At the end of the year	N.A.	N.A.	N.A.	N.A.

iv) Shareholding pattern of top ten shareholders - Other than directors, promoters and holders of GDRs and ADRs:

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
1.	LIC OF INDIA HEALTH PROTECTION PLUS FUND	15,589,504	5.16	31/03/2018				
				11/05/2018	241,241	Transfer	15,830,745	5.24
				18/05/2018	252,900	Transfer	16,083,645	5.32
				25/05/2018	400,970	Transfer	16,484,615	5.46
				01/06/2018	160,032	Transfer	16,644,647	5.51
				08/06/2018	178,900	Transfer	16,823,547	5.57
				15/06/2018	75,964	Transfer	16,899,511	5.59
				22/06/2018	219,078	Transfer	17,118,589	5.67
				29/06/2018	282,398	Transfer	17,400,987	5.76
				06/07/2018	153,459	Transfer	17,554,446	5.81
				03/08/2018	100,940	Transfer	17,655,386	5.84
				10/08/2018	187,185	Transfer	17,842,571	5.91
				17/08/2018	126,289	Transfer	17,968,860	5.95
				24/08/2018	178,613	Transfer	18,147,473	6.01
				31/08/2018	218,848	Transfer	18,366,321	6.08
				07/09/2018	403,241	Transfer	18,769,562	6.21
				14/09/2018	350,700	Transfer	19,120,262	6.33
				21/09/2018	143,574	Transfer	19,263,836	6.38
				28/09/2018	532,417	Transfer	19,796,253	6.55
				29/09/2018	532,417	Transfer	20,328,670	6.73
				05/10/2018	329,994	Transfer	20,658,664	6.84
				12/10/2018	61,107	Transfer	20,719,771	6.86
				19/10/2018	132	Transfer	20,719,903	6.86
				15/02/2019	5,173	Transfer	20,725,076	6.86
				30/03/2019	(532,417)	Transfer	20,192,659	6.68

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
2.	AXIS EQUITY ADVANTAGE FUND - SERIES 1	1,722,279	0.57	31/03/2018				
				06/04/2018	25,900	Transfer	1,748,179	0.58
				06/04/2018	(5)	Transfer	1,748,174	0.58
				13/04/2018	9,400	Transfer	1,757,574	0.58
				13/04/2018	(2,250)	Transfer	1,755,324	0.58
				04/05/2018	20,700	Transfer	1,776,024	0.59
				11/05/2018	(17)	Transfer	1,776,007	0.59
				18/05/2018	14,050	Transfer	1,790,057	0.59
				25/05/2018	2,000	Transfer	1,792,057	0.59
				25/05/2018	(2,274)	Transfer	1,789,783	0.59
				01/06/2018	36,825	Transfer	1,826,608	0.60
				01/06/2018	(26,225)	Transfer	1,800,383	0.60
				08/06/2018	3,500	Transfer	1,803,883	0.60
				08/06/2018	(54,800)	Transfer	1,749,083	0.58
				15/06/2018	48,962	Transfer	1,798,045	0.60
				06/07/2018	13,625	Transfer	1,811,670	0.60
				13/07/2018	33,300	Transfer	1,844,970	0.61
				13/07/2018	(2,401)	Transfer	1,842,569	0.61
				20/07/2018	65,000	Transfer	1,907,569	0.63
				27/07/2018	4,000	Transfer	1,911,569	0.63
				03/08/2018	54,525	Transfer	1,966,094	0.65
				10/08/2018	62,000	Transfer	2,028,094	0.67
				10/08/2018	(14,000)	Transfer	2,014,094	0.67
				17/08/2018	15,000	Transfer	2,029,094	0.67
				24/08/2018	21,500	Transfer	2,050,594	0.68
				31/08/2018	36,541	Transfer	2,087,135	0.69
				31/08/2018	(7,050)	Transfer	2,080,085	0.69
				07/09/2018	(15,480)	Transfer	2,064,605	0.68
				21/09/2018	(1,842)	Transfer	2,062,763	0.68
				28/09/2018	128,240	Transfer	2,191,003	0.73
				29/09/2018	128,240	Transfer	2,319,243	0.77
				05/10/2018	64,025	Transfer	2,383,268	0.79
				05/10/2018	(3)	Transfer	2,383,265	0.79
				12/10/2018	46,340	Transfer	2,429,605	0.80
				19/10/2018	143,713	Transfer	2,573,318	0.85
				26/10/2018	165,390	Transfer	2,738,708	0.91
				02/11/2018	22,100	Transfer	2,760,808	0.91
				09/11/2018	157,650	Transfer	2,918,458	0.97
				09/11/2018	(9,975)	Transfer	2,908,483	0.96
				16/11/2018	89,800	Transfer	2,998,283	0.99
				16/11/2018	(15,000)	Transfer	2,983,283	0.99
				23/11/2018	(76,000)	Transfer	2,907,283	0.96
				30/11/2018	42,301	Transfer	2,949,584	0.98
				30/11/2018	(43,875)	Transfer	2,905,709	0.96
				07/12/2018	(124,947)	Transfer	2,780,762	0.92
				14/12/2018	9,031	Transfer	2,789,793	0.92
				14/12/2018	(31,336)	Transfer	2,758,457	0.91
				21/12/2018	29,518	Transfer	2,787,975	0.92
				21/12/2018	(1,270)	Transfer	2,786,705	0.92
				28/12/2018	13,000	Transfer	2,799,705	0.93
				04/01/2019	14,850	Transfer	2,814,555	0.93
				11/01/2019	(15,975)	Transfer	2,798,580	0.93

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				18/01/2019	15,490	Transfer	2,814,070	0.93
				18/01/2019	(1)	Transfer	2,814,069	0.93
				25/01/2019	15,000	Transfer	2,829,069	0.94
				25/01/2019	(77,000)	Transfer	2,752,069	0.91
				01/02/2019	63,000	Transfer	2,815,069	0.93
				01/02/2019	(20,000)	Transfer	2,795,069	0.93
				08/02/2019	28,500	Transfer	2,823,569	0.93
				08/02/2019	(23,288)	Transfer	2,800,281	0.93
				15/02/2019	12,000	Transfer	2,812,281	0.93
				22/02/2019	30,000	Transfer	2,842,281	0.94
				01/03/2019	41,275	Transfer	2,883,556	0.95
				08/03/2019	66,375	Transfer	2,949,931	0.98
				08/03/2019	(7,665)	Transfer	2,942,266	0.97
				15/03/2019	58,800	Transfer	3,001,066	0.99
				22/03/2019	20,000	Transfer	3,021,066	1.00
				22/03/2019	(49,295)	Transfer	2,971,771	0.98
				29/03/2019	(258,717)	Transfer	2,713,054	0.90
				30/03/2019	(128,240)	Transfer	2,584,814	0.86
3.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	2,563,880	0.85	31/03/2018				
				06/04/2018	35,000	Transfer	2,598,880	0.86
				06/04/2018	(2,175)	Transfer	2,596,705	0.86
				20/04/2018	142,800	Transfer	2,739,505	0.91
				20/04/2018	(179)	Transfer	2,739,326	0.91
				11/05/2018	1,139	Transfer	2,740,465	0.91
				11/05/2018	(1,139)	Transfer	2,739,326	0.91
				25/05/2018	7,099	Transfer	2,746,425	0.91
				25/05/2018	(17,878)	Transfer	2,728,547	0.90
				01/06/2018	700	Transfer	2,729,247	0.90
				08/06/2018	(17,473)	Transfer	2,711,774	0.90
				15/06/2018	(35,000)	Transfer	2,676,774	0.89
				22/06/2018	(15,000)	Transfer	2,661,774	0.88
				06/07/2018	(13,500)	Transfer	2,648,274	0.88
				20/07/2018	26	Transfer	2,648,300	0.88
				20/07/2018	(3,000)	Transfer	2,645,300	0.88
				27/07/2018	1,288	Transfer	2,646,588	0.88
				27/07/2018	(1,288)	Transfer	2,645,300	0.88
				03/08/2018	(3,848)	Transfer	2,641,452	0.87
				10/08/2018	(17,161)	Transfer	2,624,291	0.87
				17/08/2018	12,054	Transfer	2,636,345	0.87
				17/08/2018	(33,075)	Transfer	2,603,270	0.86
				24/08/2018	18	Transfer	2,603,288	0.86
				24/08/2018	(38,600)	Transfer	2,564,688	0.85
				31/08/2018	(39,125)	Transfer	2,525,563	0.84
				07/09/2018	(187,652)	Transfer	2,337,911	0.77
				21/09/2018	(30,300)	Transfer	2,307,611	0.76
				28/09/2018	12,416	Transfer	2,320,027	0.77
				28/09/2018	(71,720)	Transfer	2,248,307	0.74
				29/09/2018	12,416	Transfer	2,260,723	0.75
				29/09/2018	(71,720)	Transfer	2,189,003	0.72
				05/10/2018	125,625	Transfer	2,314,628	0.77
				05/10/2018	(36,400)	Transfer	2,278,228	0.75
				12/10/2018	99,800	Transfer	2,378,028	0.79

S. No.	Name of the Shareholder	Shareholding: No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	Cumulative shareholding during the year: No. of shares	% of total shares of the Company
				26/10/2018	4,836	Transfer	2,382,864	0.79
				26/10/2018	(148,137)	Transfer	2,234,727	0.74
				02/11/2018	(5,500)	Transfer	2,229,227	0.74
				09/11/2018	(51,198)	Transfer	2,178,029	0.72
				16/11/2018	(21,250)	Transfer	2,156,779	0.71
				23/11/2018	33,500	Transfer	2,190,279	0.73
				23/11/2018	(25,925)	Transfer	2,164,354	0.72
				30/11/2018	1,576	Transfer	2,165,930	0.72
				30/11/2018	(94,626)	Transfer	2,071,304	0.69
				07/12/2018	(33,833)	Transfer	2,037,471	0.67
				14/12/2018	13,550	Transfer	2,051,021	0.68
				21/12/2018	203	Transfer	2,051,224	0.68
				21/12/2018	(39,153)	Transfer	2,012,071	0.67
				28/12/2018	(2,600)	Transfer	2,009,471	0.67
				31/12/2018	(4,500)	Transfer	2,004,971	0.66
				04/01/2019	(10,000)	Transfer	1,994,971	0.66
				11/01/2019	(17,335)	Transfer	1,977,636	0.65
				18/01/2019	(29,000)	Transfer	1,948,636	0.65
				25/01/2019	(9,000)	Transfer	1,939,636	0.64
				01/02/2019	(385,380)	Transfer	1,554,256	0.51
				08/02/2019	(42,200)	Transfer	1,512,056	0.50
				15/02/2019	1,530	Transfer	1,513,586	0.50
				15/02/2019	(3,900)	Transfer	1,509,686	0.50
				22/02/2019	29,100	Transfer	1,538,786	0.51
				22/02/2019	(24,100)	Transfer	1,514,686	0.50
				08/03/2019	(1,407)	Transfer	1,513,279	0.50
				15/03/2019	1,407	Transfer	1,514,686	0.50
				22/03/2019	(377)	Transfer	1,514,309	0.50
				29/03/2019	1,453	Transfer	1,515,762	0.50
				29/03/2019	(45,810)	Transfer	1,469,952	0.49
				30/03/2019	59,304	Transfer	1,529,256	0.51
4.	NOMURA INDIA INVESTMENT FUND MOTHER FUND	2,260,558	0.75	31/03/2018				
				06/04/2018	(106,036)	Transfer	2,154,522	0.71
				28/09/2018	74,859	Transfer	2,229,381	0.74
				29/09/2018	74,859	Transfer	2,304,240	0.76
				12/10/2018	110,275	Transfer	2,414,515	0.80
				01/02/2019	80,710	Transfer	2,495,225	0.83
				08/02/2019	(30,000)	Transfer	2,465,225	0.82
				30/03/2019			2,390,366	0.79
5.	ICICI PRUDENTIAL SENSEX IWIN ETF	1,702,470	0.56	31/03/2018				
				06/04/2018	1,904	Transfer	1,704,374	0.56
				06/04/2018	(8)	Transfer	1,704,366	0.56
				13/04/2018	29,760	Transfer	1,734,126	0.57
				13/04/2018	(1,654)	Transfer	1,732,472	0.57
				20/04/2018	(527)	Transfer	1,731,945	0.57
				27/04/2018	94,086	Transfer	1,826,031	0.60
				27/04/2018	(7,316)	Transfer	1,818,715	0.60
				04/05/2018	97,239	Transfer	1,915,954	0.63
				04/05/2018	(34)	Transfer	1,915,920	0.63
				11/05/2018	59,612	Transfer	1,975,532	0.65
				18/05/2018	190,865	Transfer	2,166,397	0.72
				18/05/2018	(3,334)	Transfer	2,163,063	0.72

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				25/05/2018	79,031	Transfer	2,242,094	0.74
				25/05/2018	(69)	Transfer	2,242,025	0.74
				01/06/2018	95	Transfer	2,242,120	0.74
				01/06/2018	(8,823)	Transfer	2,233,297	0.74
				08/06/2018	455	Transfer	2,233,752	0.74
				15/06/2018	256	Transfer	2,234,008	0.74
				15/06/2018	(2,686)	Transfer	2,231,322	0.74
				22/06/2018	740	Transfer	2,232,062	0.74
				22/06/2018	(18)	Transfer	2,232,044	0.74
				29/06/2018	111	Transfer	2,232,155	0.74
				06/07/2018	57	Transfer	2,232,212	0.74
				06/07/2018	(227,676)	Transfer	2,004,536	0.66
				13/07/2018	128	Transfer	2,004,664	0.66
				13/07/2018	(155,244)	Transfer	1,849,420	0.61
				20/07/2018	20,075	Transfer	1,869,495	0.62
				20/07/2018	(177,531)	Transfer	1,691,964	0.56
				27/07/2018	83	Transfer	1,692,047	0.56
				27/07/2018	(165,071)	Transfer	1,526,976	0.51
				03/08/2018	1,486	Transfer	1,528,462	0.51
				03/08/2018	(6,415)	Transfer	1,522,047	0.50
				10/08/2018	1,468	Transfer	1,523,515	0.50
				10/08/2018	(671)	Transfer	1,522,844	0.50
				17/08/2018	62	Transfer	1,522,906	0.50
				17/08/2018	(2,227)	Transfer	1,520,679	0.50
				24/08/2018	25,368	Transfer	1,546,047	0.51
				24/08/2018	(7,553)	Transfer	1,538,494	0.51
				31/08/2018	15,507	Transfer	1,554,001	0.51
				31/08/2018	(53,300)	Transfer	1,500,701	0.50
				07/09/2018	6,743	Transfer	1,507,444	0.50
				14/09/2018	70,554	Transfer	1,577,998	0.52
				14/09/2018	(397)	Transfer	1,577,601	0.52
				21/09/2018	61,406	Transfer	1,639,007	0.54
				21/09/2018	(11)	Transfer	1,638,996	0.54
				28/09/2018	234,878	Transfer	1,873,874	0.62
				28/09/2018	(963)	Transfer	1,872,911	0.62
				29/09/2018	234,878	Transfer	2,107,789	0.70
				29/09/2018	(963)	Transfer	2,106,826	0.70
				05/10/2018	5,707	Transfer	2,112,533	0.70
				12/10/2018	91,208	Transfer	2,203,741	0.73
				19/10/2018	662	Transfer	2,204,403	0.73
				19/10/2018	(57,350)	Transfer	2,147,053	0.71
				26/10/2018	183,584	Transfer	2,330,637	0.77
				26/10/2018	(51)	Transfer	2,330,586	0.77
				02/11/2018	147,274	Transfer	2,477,860	0.82
				09/11/2018	25,444	Transfer	2,503,304	0.83
				09/11/2018	(42,078)	Transfer	2,461,226	0.81
				16/11/2018	188	Transfer	2,461,414	0.81
				16/11/2018	(168,622)	Transfer	2,292,792	0.76
				23/11/2018	231	Transfer	2,293,023	0.76
				23/11/2018	(104,054)	Transfer	2,188,969	0.72
				30/11/2018	7,457	Transfer	2,196,426	0.73

S. No.	Name of the Shareholder	Shareholding: No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	Cumulative shareholding during the year: No. of shares	% of total shares of the Company
				30/11/2018	(87,796)	Transfer	2,108,630	0.70
				07/12/2018	199	Transfer	2,108,829	0.70
				07/12/2018	(3,559)	Transfer	2,105,270	0.70
				14/12/2018	52,472	Transfer	2,157,742	0.71
				14/12/2018	(1,931)	Transfer	2,155,811	0.71
				21/12/2018	270	Transfer	2,156,081	0.71
				21/12/2018	(11,775)	Transfer	2,144,306	0.71
				28/12/2018	51	Transfer	2,144,357	0.71
				28/12/2018	(13)	Transfer	2,144,344	0.71
				31/12/2018	316	Transfer	2,144,660	0.71
				31/12/2018	(32)	Transfer	2,144,628	0.71
				04/01/2019	257	Transfer	2,144,885	0.71
				11/01/2019	130	Transfer	2,145,015	0.71
				11/01/2019	(150)	Transfer	2,144,865	0.71
				18/01/2019	599	Transfer	2,145,464	0.71
				18/01/2019	(5,615)	Transfer	2,139,849	0.71
				25/01/2019	98	Transfer	2,139,947	0.71
				25/01/2019	(19,129)	Transfer	2,120,818	0.70
				01/02/2019	110,455	Transfer	2,231,273	0.74
				01/02/2019	(1,500)	Transfer	2,229,773	0.74
				08/02/2019	4,271	Transfer	2,234,044	0.74
				08/02/2019	(39,038)	Transfer	2,195,006	0.73
				15/02/2019	181	Transfer	2,195,187	0.73
				15/02/2019	(357)	Transfer	2,194,830	0.73
				22/02/2019	352	Transfer	2,195,182	0.73
				22/02/2019	(1,376)	Transfer	2,193,806	0.73
				01/03/2019	184	Transfer	2,193,990	0.73
				01/03/2019	(26)	Transfer	2,193,964	0.73
				08/03/2019	63,970	Transfer	2,257,934	0.75
				08/03/2019	(465)	Transfer	2,257,469	0.75
				15/03/2019	226	Transfer	2,257,695	0.75
				15/03/2019	(12,399)	Transfer	2,245,296	0.74
				22/03/2019	154,644	Transfer	2,399,940	0.79
				22/03/2019	(1,114)	Transfer	2,398,826	0.79
				29/03/2019	94,545	Transfer	2,493,371	0.83
				30/03/2019	(233,915)	Transfer	2,259,456	0.75
6	SBI MAGNUM GLOBAL FUND	2,147,409	0.71	31/03/2018				
				06/04/2018	7,657	Transfer	2,155,066	0.71
				06/04/2018	(3,177)	Transfer	2,151,889	0.71
				13/04/2018	118,129	Transfer	2,270,018	0.75
				20/04/2018	176,412	Transfer	2,446,430	0.81
				27/04/2018	14,737	Transfer	2,461,167	0.81
				04/05/2018	10,710	Transfer	2,471,877	0.82
				11/05/2018	41,544	Transfer	2,513,421	0.83
				18/05/2018	14,615	Transfer	2,528,036	0.84
				25/05/2018	8,589	Transfer	2,536,625	0.84
				25/05/2018	(5,900)	Transfer	2,530,725	0.84
				01/06/2018	31,684	Transfer	2,562,409	0.85
				08/06/2018	13,831	Transfer	2,576,240	0.85
				15/06/2018	23,049	Transfer	2,599,289	0.86
				22/06/2018	6,573	Transfer	2,605,862	0.86
				22/06/2018	(633)	Transfer	2,605,229	0.86

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				29/06/2018	7,505	Transfer	2,612,734	0.86
				29/06/2018	(1,155)	Transfer	2,611,579	0.86
				06/07/2018	70,100	Transfer	2,681,679	0.89
				13/07/2018	11,274	Transfer	2,692,953	0.89
				13/07/2018	(159)	Transfer	2,692,794	0.89
				20/07/2018	7,615	Transfer	2,700,409	0.89
				27/07/2018	9,313	Transfer	2,709,722	0.90
				27/07/2018	(17)	Transfer	2,709,705	0.90
				03/08/2018	14,060	Transfer	2,723,765	0.90
				03/08/2018	(220)	Transfer	2,723,545	0.90
				10/08/2018	10,076	Transfer	2,733,621	0.90
				10/08/2018	(9,313)	Transfer	2,724,308	0.90
				17/08/2018	4,514	Transfer	2,728,822	0.90
				24/08/2018	12,123	Transfer	2,740,945	0.91
				31/08/2018	21,081	Transfer	2,762,026	0.91
				31/08/2018	(121)	Transfer	2,761,905	0.91
				07/09/2018	18,094	Transfer	2,779,999	0.92
				07/09/2018	(12)	Transfer	2,779,987	0.92
				14/09/2018	16,347	Transfer	2,796,334	0.93
				14/09/2018	(373)	Transfer	2,795,961	0.93
				21/09/2018	13,483	Transfer	2,809,444	0.93
				28/09/2018	244,707	Transfer	3,054,151	1.01
				28/09/2018	(154,784)	Transfer	2,899,367	0.96
				29/09/2018	244,707	Transfer	3,144,074	1.04
				29/09/2018	(154,784)	Transfer	2,989,290	0.99
				05/10/2018	102,859	Transfer	3,092,149	1.02
				12/10/2018	56,596	Transfer	3,148,745	1.04
				19/10/2018	6,160	Transfer	3,154,905	1.04
				26/10/2018	17,281	Transfer	3,172,186	1.05
				02/11/2018	47,915	Transfer	3,220,101	1.07
				09/11/2018	8,848	Transfer	3,228,949	1.07
				16/11/2018	21,472	Transfer	3,250,421	1.08
				16/11/2018	(116)	Transfer	3,250,305	1.08
				23/11/2018	8,424	Transfer	3,258,729	1.08
				30/11/2018	6,590	Transfer	3,265,319	1.08
				07/12/2018	807	Transfer	3,266,126	1.08
				07/12/2018	(1,940)	Transfer	3,264,186	1.08
				14/12/2018	3,188	Transfer	3,267,374	1.08
				14/12/2018	(12,201)	Transfer	3,255,173	1.08
				21/12/2018	9,775	Transfer	3,264,948	1.08
				21/12/2018	(505)	Transfer	3,264,443	1.08
				28/12/2018	3,652	Transfer	3,268,095	1.08
				28/12/2018	(4,188)	Transfer	3,263,907	1.08
				31/12/2018	3,611	Transfer	3,267,518	1.08
				04/01/2019	34,230	Transfer	3,301,748	1.09
				04/01/2019	(19)	Transfer	3,301,729	1.09
				11/01/2019	24,513	Transfer	3,326,242	1.10
				11/01/2019	(11,725)	Transfer	3,314,517	1.10
				18/01/2019	18,104	Transfer	3,332,621	1.10
				18/01/2019	(52)	Transfer	3,332,569	1.10
				25/01/2019	17,342	Transfer	3,349,911	1.11
				25/01/2019	(17)	Transfer	3,349,894	1.11

S. No.	Name of the Shareholder	Shareholding: No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	Cumulative shareholding during the year: No. of shares	% of total shares of the Company
				01/02/2019	21,011	Transfer	3,370,905	1.12
				08/02/2019	18,332	Transfer	3,389,237	1.12
				08/02/2019	(5,352)	Transfer	3,383,885	1.12
				15/02/2019	9,194	Transfer	3,393,079	1.12
				15/02/2019	(34)	Transfer	3,393,045	1.12
				22/02/2019	12,640	Transfer	3,405,685	1.13
				01/03/2019	25,661	Transfer	3,431,346	1.14
				01/03/2019	(3,792)	Transfer	3,427,554	1.13
				08/03/2019	20,560	Transfer	3,448,114	1.14
				08/03/2019	(5,705)	Transfer	3,442,409	1.14
				15/03/2019	25,069	Transfer	3,467,478	1.15
				15/03/2019	(66,100)	Transfer	3,401,378	1.13
				22/03/2019	24,176	Transfer	3,425,554	1.13
				22/03/2019	(75,030)	Transfer	3,350,524	1.11
				29/03/2019	9,194	Transfer	3,359,718	1.11
				29/03/2019	(20,909)	Transfer	3,338,809	1.11
				30/03/2019	(89,923)	Transfer	3,248,886	1.08
7	UTI - CCF -INVESTMENT PLAN	2,082,858	0.69	31/03/2018				
				06/04/2018	5,066	Transfer	2,087,924	0.69
				06/04/2018	(64,784)	Transfer	2,023,140	0.67
				13/04/2018	5,367	Transfer	2,028,507	0.67
				13/04/2018	(1,074)	Transfer	2,027,433	0.67
				20/04/2018	4,129	Transfer	2,031,562	0.67
				27/04/2018	27,890	Transfer	2,059,452	0.68
				27/04/2018	(6,500)	Transfer	2,052,952	0.68
				04/05/2018	160,165	Transfer	2,213,117	0.73
				04/05/2018	(92,357)	Transfer	2,120,760	0.70
				11/05/2018	5,951	Transfer	2,126,711	0.70
				11/05/2018	(5,282)	Transfer	2,121,429	0.70
				18/05/2018	1,638	Transfer	2,123,067	0.70
				18/05/2018	(638)	Transfer	2,122,429	0.70
				25/05/2018	4,647	Transfer	2,127,076	0.70
				01/06/2018	15,471	Transfer	2,142,547	0.71
				01/06/2018	(8,332)	Transfer	2,134,215	0.71
				08/06/2018	5,234	Transfer	2,139,449	0.71
				08/06/2018	(28,725)	Transfer	2,110,724	0.70
				15/06/2018	2,991	Transfer	2,113,715	0.70
				15/06/2018	(4,500)	Transfer	2,109,215	0.70
				22/06/2018	11,586	Transfer	2,120,801	0.70
				22/06/2018	(72)	Transfer	2,120,729	0.70
				29/06/2018	1,855	Transfer	2,122,584	0.70
				29/06/2018	(24,643)	Transfer	2,097,941	0.69
				06/07/2018	2,879	Transfer	2,100,820	0.70
				06/07/2018	(56,202)	Transfer	2,044,618	0.68
				13/07/2018	5,436	Transfer	2,050,054	0.68
				13/07/2018	(682)	Transfer	2,049,372	0.68
				20/07/2018	5,943	Transfer	2,055,315	0.68
				20/07/2018	(5,355)	Transfer	2,049,960	0.68
				27/07/2018	2,332	Transfer	2,052,292	0.68
				27/07/2018	(669)	Transfer	2,051,623	0.68
				03/08/2018	3,828	Transfer	2,055,451	0.68
				03/08/2018	(8,653)	Transfer	2,046,798	0.68

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				10/08/2018	24,420	Transfer	2,071,218	0.69
				10/08/2018	(31,683)	Transfer	2,039,535	0.68
				17/08/2018	6,865	Transfer	2,046,400	0.68
				17/08/2018	(26,482)	Transfer	2,019,918	0.67
				24/08/2018	8,295	Transfer	2,028,213	0.67
				24/08/2018	(75,871)	Transfer	1,952,342	0.65
				31/08/2018	12,303	Transfer	1,964,645	0.65
				31/08/2018	(16,771)	Transfer	1,947,874	0.64
				07/09/2018	11,061	Transfer	1,958,935	0.65
				07/09/2018	(9,021)	Transfer	1,949,914	0.65
				14/09/2018	5,213	Transfer	1,955,127	0.65
				14/09/2018	(10,000)	Transfer	1,945,127	0.64
				21/09/2018	3,782	Transfer	1,948,909	0.65
				21/09/2018	(9,398)	Transfer	1,939,511	0.64
				28/09/2018	3,255	Transfer	1,942,766	0.64
				28/09/2018	(889)	Transfer	1,941,877	0.64
				29/09/2018	3,255	Transfer	1,945,132	0.64
				29/09/2018	(889)	Transfer	1,944,243	0.64
				05/10/2018	40,376	Transfer	1,984,619	0.66
				12/10/2018	4,539	Transfer	1,989,158	0.66
				19/10/2018	20,081	Transfer	2,009,239	0.67
				26/10/2018	6,743	Transfer	2,015,982	0.67
				02/11/2018	11,232	Transfer	2,027,214	0.67
				02/11/2018	(361)	Transfer	2,026,853	0.67
				09/11/2018	3,012	Transfer	2,029,865	0.67
				09/11/2018	(35,024)	Transfer	1,994,841	0.66
				16/11/2018	15,850	Transfer	2,010,691	0.67
				16/11/2018	(1,725)	Transfer	2,008,966	0.67
				23/11/2018	2,612	Transfer	2,011,578	0.67
				23/11/2018	(4,500)	Transfer	2,007,078	0.66
				30/11/2018	3,567	Transfer	2,010,645	0.67
				30/11/2018	(6,525)	Transfer	2,004,120	0.66
				07/12/2018	395	Transfer	2,004,515	0.66
				07/12/2018	(375)	Transfer	2,004,140	0.66
				14/12/2018	622	Transfer	2,004,762	0.66
				21/12/2018	3,364	Transfer	2,008,126	0.66
				21/12/2018	(6,500)	Transfer	2,001,626	0.66
				28/12/2018	1,785	Transfer	2,003,411	0.66
				28/12/2018	(569)	Transfer	2,002,842	0.66
				31/12/2018	1,288	Transfer	2,004,130	0.66
				04/01/2019	5,583	Transfer	2,009,713	0.67
				04/01/2019	(17,569)	Transfer	1,992,144	0.66
				11/01/2019	7,121	Transfer	1,999,265	0.66
				11/01/2019	(58,339)	Transfer	1,940,926	0.64
				18/01/2019	4,880	Transfer	1,945,806	0.64
				18/01/2019	(1,475)	Transfer	1,944,331	0.64
				25/01/2019	5,703	Transfer	1,950,034	0.65
				25/01/2019	(34,500)	Transfer	1,915,534	0.63
				01/02/2019	11,913	Transfer	1,927,447	0.64
				01/02/2019	(36,741)	Transfer	1,890,706	0.63
				08/02/2019	9,613	Transfer	1,900,319	0.63
				08/02/2019	(21,617)	Transfer	1,878,702	0.62

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				15/02/2019	3,745	Transfer	1,882,447	0.62
				22/02/2019	13,487	Transfer	1,895,934	0.63
				01/03/2019	21,041	Transfer	1,916,975	0.63
				08/03/2019	6,446	Transfer	1,923,421	0.64
				15/03/2019	67,400	Transfer	1,990,821	0.66
				15/03/2019	(207)	Transfer	1,990,614	0.66
				22/03/2019	8,846	Transfer	1,999,460	0.66
				22/03/2019	(84)	Transfer	1,999,376	0.66
				29/03/2019	14,692	Transfer	2,014,068	0.67
				30/03/2019	(2,366)	Transfer	2,011,702	0.67
8	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERI	2,023,005	0.67	31/03/2018				
				06/04/2018	(7,330)	Transfer	2,015,675	0.67
				04/05/2018	(3,740)	Transfer	2,011,935	0.67
				11/05/2018	(3,553)	Transfer	2,008,382	0.66
				01/06/2018	(2,805)	Transfer	2,005,577	0.66
				15/06/2018	(2,805)	Transfer	2,002,772	0.66
				22/06/2018	(69,565)	Transfer	1,933,207	0.64
				29/06/2018	(39,321)	Transfer	1,893,886	0.63
				06/07/2018	(4,860)	Transfer	1,889,026	0.63
				13/07/2018	(11,515)	Transfer	1,877,511	0.62
				16/11/2018	2,865	Transfer	1,880,376	0.62
				23/11/2018	7,449	Transfer	1,887,825	0.62
				07/12/2018	3,629	Transfer	1,891,454	0.63
				21/12/2018	10,314	Transfer	1,901,768	0.63
				28/12/2018	(15,170)	Transfer	1,886,598	0.62
				01/02/2019	10,846	Transfer	1,897,444	0.63
				08/02/2019	34,595	Transfer	1,932,039	0.64
				22/03/2019	(32,879)	Transfer	1,899,160	0.63
				29/03/2019	4,301	Transfer	1,903,461	0.63
				30/03/2019			1,903,461	0.63
9	GOVERNMENT OF SINGAPORE - E	2,021,273	0.67	31/03/2018				
				06/04/2018	50,386	Transfer	2,071,659	0.69
				06/04/2018	(9,244)	Transfer	2,062,415	0.68
				13/04/2018	19,440	Transfer	2,081,855	0.69
				20/04/2018	(74,071)	Transfer	2,007,784	0.66
				27/04/2018	(55,187)	Transfer	1,952,597	0.65
				04/05/2018	(20,650)	Transfer	1,931,947	0.64
				11/05/2018	(6,909)	Transfer	1,925,038	0.64
				18/05/2018	(2,600)	Transfer	1,922,438	0.64
				25/05/2018	(139,639)	Transfer	1,782,799	0.59
				01/06/2018	30,052	Transfer	1,812,851	0.60
				01/06/2018	(887)	Transfer	1,811,964	0.60
				08/06/2018	58,602	Transfer	1,870,566	0.62
				15/06/2018	38,642	Transfer	1,909,208	0.63
				22/06/2018	(5,552)	Transfer	1,903,656	0.63
				13/07/2018	21,334	Transfer	1,924,990	0.64
				20/07/2018	27,463	Transfer	1,952,453	0.65
				27/07/2018	4,271	Transfer	1,956,724	0.65
				27/07/2018	(845)	Transfer	1,955,879	0.65
				03/08/2018	6,443	Transfer	1,962,322	0.65
				03/08/2018	(1,068)	Transfer	1,961,254	0.65
				10/08/2018	(14,002)	Transfer	1,947,252	0.64

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				24/08/2018	26,919	Transfer	1,974,171	0.65
				31/08/2018	61,938	Transfer	2,036,109	0.67
				07/09/2018	8,856	Transfer	2,044,965	0.68
				14/09/2018	23,052	Transfer	2,068,017	0.68
				14/09/2018	(12,801)	Transfer	2,055,216	0.68
				21/09/2018	21,848	Transfer	2,077,064	0.69
				28/09/2018	(82,461)	Transfer	1,994,603	0.66
				29/09/2018	(82,461)	Transfer	1,912,142	0.63
				05/10/2018	(9,396)	Transfer	1,902,746	0.63
				12/10/2018	13,335	Transfer	1,916,081	0.63
				12/10/2018	(1,879)	Transfer	1,914,202	0.63
				19/10/2018	5,536	Transfer	1,919,738	0.64
				02/11/2018	3,563	Transfer	1,923,301	0.64
				09/11/2018	144,539	Transfer	2,067,840	0.68
				16/11/2018	(27,897)	Transfer	2,039,943	0.68
				23/11/2018	12,420	Transfer	2,052,363	0.68
				30/11/2018	61,253	Transfer	2,113,616	0.70
				07/12/2018	(3,353)	Transfer	2,110,263	0.70
				14/12/2018	(28)	Transfer	2,110,235	0.70
				21/12/2018	12,649	Transfer	2,122,884	0.70
				28/12/2018	593	Transfer	2,123,477	0.70
				28/12/2018	(13,296)	Transfer	2,110,181	0.70
				04/01/2019	10,612	Transfer	2,120,793	0.70
				11/01/2019	(53)	Transfer	2,120,740	0.70
				01/02/2019	(69,844)	Transfer	2,050,896	0.68
				08/02/2019	32,538	Transfer	2,083,434	0.69
				15/02/2019	(3,435)	Transfer	2,079,999	0.69
				01/03/2019	(43,071)	Transfer	2,036,928	0.67
				08/03/2019	(23,452)	Transfer	2,013,476	0.67
				15/03/2019	14,365	Transfer	2,027,841	0.67
				22/03/2019	47,088	Transfer	2,074,929	0.69
				29/03/2019	62,845	Transfer	2,137,774	0.71
				30/03/2019	82,461	Transfer	2,220,235	0.73
10	NPS TRUST - A/C SBI PENSION FUND SCHEME - ATAL PEN	1,463,523	0.48	31/03/2018				
				06/04/2018	7,432	Transfer	1,470,955	0.49
				13/04/2018	833	Transfer	1,471,788	0.49
				20/04/2018	103	Transfer	1,471,891	0.49
				27/04/2018	57	Transfer	1,471,948	0.49
				04/05/2018	14,527	Transfer	1,486,475	0.49
				11/05/2018	14,589	Transfer	1,501,064	0.50
				18/05/2018	12,914	Transfer	1,513,978	0.50
				25/05/2018	29,205	Transfer	1,543,183	0.51
				01/06/2018	6,414	Transfer	1,549,597	0.51
				08/06/2018	62	Transfer	1,549,659	0.51
				22/06/2018	45	Transfer	1,549,704	0.51
				29/06/2018	293	Transfer	1,549,997	0.51
				06/07/2018	137	Transfer	1,550,134	0.51
				06/07/2018	(2,285)	Transfer	1,547,849	0.51
				13/07/2018	(2,073)	Transfer	1,545,776	0.51
				20/07/2018	178	Transfer	1,545,954	0.51
				27/07/2018	236	Transfer	1,546,190	0.51
				03/08/2018	126	Transfer	1,546,316	0.51

S. No.	Name of the Shareholder	Shareholding: No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	Cumulative shareholding during the year: No. of shares	% of total shares of the Company
				10/08/2018	142	Transfer	1,546,458	0.51
				17/08/2018	13	Transfer	1,546,471	0.51
				24/08/2018	6,680	Transfer	1,553,151	0.51
				24/08/2018	(76)	Transfer	1,553,075	0.51
				31/08/2018	819	Transfer	1,553,894	0.51
				07/09/2018	12,590	Transfer	1,566,484	0.52
				07/09/2018	(273)	Transfer	1,566,211	0.52
				14/09/2018	13,888	Transfer	1,580,099	0.52
				21/09/2018	11,757	Transfer	1,591,856	0.53
				28/09/2018	47,479	Transfer	1,639,335	0.54
				29/09/2018	47,479	Transfer	1,686,814	0.56
				05/10/2018	24,313	Transfer	1,711,127	0.57
				12/10/2018	55,385	Transfer	1,766,512	0.58
				19/10/2018	7,955	Transfer	1,774,467	0.59
				26/10/2018	31,363	Transfer	1,805,830	0.60
				02/11/2018	44,372	Transfer	1,850,202	0.61
				09/11/2018	3,155	Transfer	1,853,357	0.61
				16/11/2018	118	Transfer	1,853,475	0.61
				23/11/2018	549	Transfer	1,854,024	0.61
				30/11/2018	12,344	Transfer	1,866,368	0.62
				07/12/2018	12,602	Transfer	1,878,970	0.62
				14/12/2018	12,000	Transfer	1,890,970	0.63
				21/12/2018	255	Transfer	1,891,225	0.63
				28/12/2018	12,150	Transfer	1,903,375	0.63
				28/12/2018	(7,500)	Transfer	1,895,875	0.63
				31/12/2018	(48)	Transfer	1,895,827	0.63
				04/01/2019	19,418	Transfer	1,915,245	0.63
				11/01/2019	8,576	Transfer	1,923,821	0.64
				11/01/2019	(1,816)	Transfer	1,922,005	0.64
				18/01/2019	17,785	Transfer	1,939,790	0.64
				25/01/2019	24,947	Transfer	1,964,737	0.65
				01/02/2019	5,438	Transfer	1,970,175	0.65
				08/02/2019	2,434	Transfer	1,972,609	0.65
				15/02/2019	13,178	Transfer	1,985,787	0.66
				22/02/2019	18,712	Transfer	2,004,499	0.66
				01/03/2019	14,529	Transfer	2,019,028	0.67
				08/03/2019	4,786	Transfer	2,023,814	0.67
				15/03/2019	7,210	Transfer	2,031,024	0.67
				15/03/2019	(3,532)	Transfer	2,027,492	0.67
				22/03/2019	9,435	Transfer	2,036,927	0.67
				29/03/2019	6,856	Transfer	2,043,783	0.68
				29/03/2019	(13,000)	Transfer	2,030,783	0.67
				30/03/2019	(47,479)	Transfer	1,983,304	0.66
11	ABU DHABI INVESTMENT AUTHORITY - BEACON	1,968,365	0.65	31/03/2018				
				06/04/2018	(4,228)	Transfer	1,964,137	0.65
				27/04/2018	(9,958)	Transfer	1,954,179	0.65
				04/05/2018	885	Transfer	1,955,064	0.65
				04/05/2018	(885)	Transfer	1,954,179	0.65
				11/05/2018	(885)	Transfer	1,953,294	0.65
				25/05/2018	3,155	Transfer	1,956,449	0.65
				25/05/2018	(12,600)	Transfer	1,943,849	0.64
				01/06/2018	(25,750)	Transfer	1,918,099	0.63

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				22/06/2018	(54,567)	Transfer	1,863,532	0.62
				29/06/2018	89,467	Transfer	1,952,999	0.65
				29/06/2018	(28,000)	Transfer	1,924,999	0.64
				06/07/2018	113,944	Transfer	2,038,943	0.67
				06/07/2018	(89,467)	Transfer	1,949,476	0.65
				13/07/2018	(17,000)	Transfer	1,932,476	0.64
				27/07/2018	(5,000)	Transfer	1,927,476	0.64
				03/08/2018	(18,032)	Transfer	1,909,444	0.63
				10/08/2018	7,328	Transfer	1,916,772	0.63
				10/08/2018	(9,727)	Transfer	1,907,045	0.63
				17/08/2018	(3,664)	Transfer	1,903,381	0.63
				24/08/2018	4,166	Transfer	1,907,547	0.63
				24/08/2018	(3,664)	Transfer	1,903,883	0.63
				07/09/2018	(2,686)	Transfer	1,901,197	0.63
				14/09/2018	(6,000)	Transfer	1,895,197	0.63
				21/09/2018	(13,227)	Transfer	1,881,970	0.62
				28/09/2018	(8,697)	Transfer	1,873,273	0.62
				29/09/2018	(8,697)	Transfer	1,864,576	0.62
				05/10/2018	1,660	Transfer	1,866,236	0.62
				05/10/2018	(63,372)	Transfer	1,802,864	0.60
				12/10/2018	(75,691)	Transfer	1,727,173	0.57
				19/10/2018	(72,700)	Transfer	1,654,473	0.55
				26/10/2018	22,463	Transfer	1,676,936	0.56
				26/10/2018	(49,750)	Transfer	1,627,186	0.54
				09/11/2018	(22,550)	Transfer	1,604,636	0.53
				16/11/2018	2,272	Transfer	1,606,908	0.53
				30/11/2018	17,071	Transfer	1,623,979	0.54
				07/12/2018	7,128	Transfer	1,631,107	0.54
				14/12/2018	9,622	Transfer	1,640,729	0.54
				14/12/2018	(10,913)	Transfer	1,629,816	0.54
				04/01/2019	646	Transfer	1,630,462	0.54
				08/02/2019	65,505	Transfer	1,695,967	0.56
				15/02/2019	46,986	Transfer	1,742,953	0.58
				22/02/2019	7,283	Transfer	1,750,236	0.58
				01/03/2019	(4,538)	Transfer	1,745,698	0.58
				22/03/2019	168,100	Transfer	1,913,798	0.63
				22/03/2019	(168,100)	Transfer	1,745,698	0.58
				29/03/2019	105,590	Transfer	1,851,288	0.61
				29/03/2019	(403,949)	Transfer	1,447,339	0.48
				30/03/2019	8,697	Transfer	1,456,036	0.48
12	KUWAIT INVESTMENT AUTHORITY FUND 141	1,769,325	0.59	31/03/2018				
				13/04/2018	(10,111)	Transfer	1,759,214	0.58
				04/05/2018	9,203	Transfer	1,768,417	0.59
				04/05/2018	(852)	Transfer	1,767,565	0.59
				11/05/2018	(21,000)	Transfer	1,746,565	0.58
				01/06/2018	24,224	Transfer	1,770,789	0.59
				01/06/2018	(2,183)	Transfer	1,768,606	0.59
				08/06/2018	1,436	Transfer	1,770,042	0.59
				15/06/2018	16,499	Transfer	1,786,541	0.59
				29/06/2018	18,153	Transfer	1,804,694	0.60
				06/07/2018	25,400	Transfer	1,830,094	0.61
				13/07/2018	29,674	Transfer	1,859,768	0.62

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of shares held as on 31/03/2018	% of total shares of the Company	Date	Increase/ decrease in share holding	Reason for change	No. of shares	% of total shares of the Company
				27/07/2018	(1,926)	Transfer	1,857,842	0.62
				24/08/2018	23,477	Transfer	1,881,319	0.62
				24/08/2018	(31,957)	Transfer	1,849,362	0.61
				31/08/2018	23,497	Transfer	1,872,859	0.62
				07/09/2018	3,421	Transfer	1,876,280	0.62
				07/09/2018	(57,753)	Transfer	1,818,527	0.60
				05/10/2018	6,413	Transfer	1,824,940	0.60
				12/10/2018	15,185	Transfer	1,840,125	0.61
				26/10/2018	(67,145)	Transfer	1,772,980	0.59
				02/11/2018	41,784	Transfer	1,814,764	0.60
				09/11/2018	7,101	Transfer	1,821,865	0.60
				09/11/2018	(7,488)	Transfer	1,814,377	0.60
				16/11/2018	49,277	Transfer	1,863,654	0.62
				23/11/2018	18,055	Transfer	1,881,709	0.62
				30/11/2018	25,097	Transfer	1,906,806	0.63
				07/12/2018	9,049	Transfer	1,915,855	0.63
				04/01/2019	(29,090)	Transfer	1,886,765	0.62
				18/01/2019	(8,892)	Transfer	1,877,873	0.62
				01/02/2019	16,005	Transfer	1,893,878	0.63
				01/02/2019	(17,890)	Transfer	1,875,988	0.62
				08/02/2019	55,358	Transfer	1,931,346	0.64
				08/02/2019	(9,660)	Transfer	1,921,686	0.64
				22/02/2019	(21,031)	Transfer	1,900,655	0.63
				01/03/2019	63,758	Transfer	1,964,413	0.65
				01/03/2019	(63,758)	Transfer	1,900,655	0.63
				15/03/2019	11,521	Transfer	1,912,176	0.63
				22/03/2019	11,945	Transfer	1,924,121	0.64
				30/03/2019			1,924,121	0.64

v) Shareholding of Directors and Key Managerial Personnel:

S. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
1.	For each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	1. Mr. Sanjeev Grover, Company Secretary	10(ten)	-	10(ten)	-
	2. Mr. Ajay Seth, Chief Financial Officer	-	-	-	-
	3. Directors				
	Date wise Increase/ Decrease in shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the end of the year				
	1. Mr. Ajay Seth, Chief Financial Officer	-	-	-	-
	2. Mr. Sanjeev Grover, Company Secretary	10(ten)	-	10(ten)	-
	3. Directors	-	-	-	-

V. Indebtedness

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans (In ₹)	Deposit	Total Indebtedness (In ₹)
Indebtedness at the beginning of the financial year (31st March 2018)				
(i) Principal Amount	-	1,108,051,141	-	1,108,051,141
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	198,044		198,044
Total (i+ii+iii)	**-**	**1,108,249,184**	**-**	**1,108,249,184**
Change in Indebtedness during the financial year				
• Addition	-	1,496,482,123	-	1,496,482,123
• Reduction	-	(1,108,249,184)	-	(1,108,249,184)
Net Change	**-**	**388,232,939**	**-**	**388,232,939**
Indebtedness at the end of the financial year (31st March 2019)				
(i) Principal Amount	-	1,496,250,927	-	1,496,250,927
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	231,196	-	231,196
Total (i+ii+iii)	**-**	**1,496,482,123**	**-**	**1,496,482,123**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director and Whole-Time Directors

S. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount (In ₹)
		Mr. Kenichi Ayukawa (In ₹)	Mr. Kazunari Yamaguchi (In ₹)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,644,000	15,192,000	37,836,000
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	9,804,000	6,324,000	16,128,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
	(d) Fee for attending board/ committee meetings	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-
5.	Other – Performance Linked Bonus	17,770,000	11,660,000	29,430,000
	Total (A)	**50,218,000**	**33,176,000**	**83,394,000**
	Ceiling as per the Act (₹ in million)	9,006		

B. Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors				Total Amount (In ₹)
1.	Independent Directors	Mr. Davinder Singh Brar (In ₹)	Ms. Pallavi Shroff (In ₹)	Mr. Rajinder Pal Singh (In ₹)	Ms. Renu Sud Karnad (In ₹)	
	• Fee for attending board/ committee meetings	1,400,000	500,000	1,350,000	1,100,000	4,350,000
	• Commission	5,200,000	2,200,000	4,200,000	3,600,000	15,200,000
	• Others, please specify	-	-	-	-	-
	Total (1)	**6,600,000**	**2,700,000**	**5,550,000**	**4,700,000**	**19,550,000**

2.	Other Non-Executive Directors	Mr. R.C. Bhargava (In ₹)	Mr. Kinji Saito (In ₹)	Mr. Toshihiro Suzuki (In ₹)	Mr. Osamu Suzuki (In ₹)	Mr. Kazuhiko Ayabe (In ₹)	Mr. T. Hasuike (in ₹)	Total Amount (In ₹)
	• Fee for attending board/ committee meetings	900,000	500,000	550,000	500,000	500,000	500,000	3,450,000
	• Commission	12,200,000	-	-	-	-	-	12,200,000
	• Others, please specify	-	-	-	-	-	-	-
	Total (2)	**13,100,000**	**500,000**	**550,000**	**500,000**	**500,000**	**500,000**	**15,650,000**
	Total (B)=(1+2) Total Managerial Remuneration	**35,200,000**						
	Overall ceiling as per the Act (₹ In million)	901						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In ₹)
		Mr. Ajay Seth (In ₹)	Mr. Sanjeev Grover (In ₹)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,634,665	7,614,869	38,249,534
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	492,950	57,000	549,950
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify…	-	-	-
5.	Others, please specify	-	-	-
	Total	**31,127,615**	**7,671,869**	**38,799,484**

Statutory Reports

Board's Report

Corporate Governance Report

Management Discussion & Analysis

Business Responsibility Report

VII. Penalties/ Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			Nil		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment					
Compounding					

For and on behalf of the Board of Directors

R.C. Bhargava
Chairman

Kenichi Ayukawa
Managing Director & CEO

New Delhi
25th April, 2019

Annexure - B

Nomination and Remuneration Policy

1. Scope

1.1. This Nomination and Remuneration Policy (the "Policy") has been framed in compliance with Section 178 of the Companies Act, 2013 (Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

1.2. This Policy aims to ensure that the persons appointed as Directors and Key Managerial Personnel (KMPs) as defined under the Act and Senior Management (designated Executive Officer and above) possess requisite qualifications, experience, expertise and attributes commensurate with their positions and level of management responsibilities and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate these persons to run the Company successfully.

1.3. This Policy is applicable to Directors, KMPs, Senior Management and other employees of the Company.

2. Objective

1.1. The objective of this Policy is to provide a framework for appointment, removal and remuneration of Directors, KMPs and Senior Management.

1.2. The Policy aims to provide:

(i) Criteria of appointment and removal of Directors, KMPs and Senior Management;

(ii) Criteria for determining qualifications, positive attributes and independence of a Director;

(iii) Remuneration of Directors, KMPs and Senior Management;

(iv) Principles for retaining, motivating and promoting talent and ensuring long term retention of talent and creating competitive advantage.

3. Board Diversity

While considering the composition of the Board, the NRC will take into account the diversity of the members of the Board based on a number of factors, inter-alia, gender, age, qualifications, nationality, professional experience, recognition, skills and ability to add value to the business.

Subject to the provisions of the Act including rules and regulations made thereunder and Listing Regulations, the Board shall have atleast one woman director, persons who have strong technical/managerial/administrative backgrounds relevant to the business of the Company and those who have excelled in one or more areas of finance/accounting/law/public policy with top level administrative/managerial experience.

4. Qualifications and Attributes for Directors, KMPs and Senior Management

1.1. The prospective Director:

(i) should be of the highest integrity and level of ethical standards;

(ii) should possess the requisite qualifications, skills, knowledge, experience and expertise relevant or useful to the business of the Company.

(iii) should, while acting as a Director be capable of balancing the interests of the Company, its employees, the shareholders, the community and of the need to ensure the protection of the environment; and

(iv) should inter-alia,

- uphold the highest ethical standards of integrity and probity;
- act objectively and constructively while exercising his / her duties;
- exercise his / her responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to his / her professional obligations for informed and balanced decision making;
- not allow any extraneous considerations that will vitiate his / her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- not abuse his / her position to the detriment of the Company or its shareholders or other stakeholders or attempt to gain direct or indirect personal advantage or advantage for any associated person;
- avoid conflict of interest, and in case of any apparent situation of conflict of interest, make appropriate disclosures to the Board;

- assist the Company in implementing the best corporate governance practices;
- strictly adhere to and monitor legal compliances at all levels; and
- protect confidentiality of the confidential and proprietary information of the Company.

(v) In addition, in the case of an Independent Director(s), he/she must also satisfy the criteria specifically set out under applicable laws including the Act and the Listing Regulations.

1.2. The KMPs and the Senior Management should possess the highest integrity and ethical standards and have the requisite qualification and experience in any field relevant to and necessary for the business of the Company, including but not limited to technology, finance, law, public administration, management, accounting, marketing, production and human resource. They should also meet the requirements of the Act, Rules, Listing Regulations and / or any other applicable laws.

5. Evaluation of the Board, its Chairman, Individual Directors and Committees of the Board

The evaluation of the Board, its Chairman, individual directors and committees of the Board shall be undertaken in compliance with the provisions of Section 134(3)(p), Section 178 and Listing Regulations.

6. Appointment and Removal of Non-Executive/Independent Directors

1.1 Appointment

(i) Depending upon the requirements of the Company, the NRC shall identify from sources the Committee considers appropriate and reliable the persons who meet the requisite criteria and recommend their appointment to the Board at appropriate times.

(ii) The Board will consider the recommendations of the NRC and accordingly, approve the appointment and remuneration of Non-Executive and / or Independent Directors, subject to the needs of the Company and the approval of the shareholders.

(iii) The appointment process shall be independent of the Company management. While selecting persons for appointment as Independent Directors, the Board shall ensure that there is an appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(iv) The appointment of Independent Directors shall be formalised by way of letters of appointment in accordance with the applicable laws and the requisite related disclosures in relation to such appointments made.

(v) The process for appointment of Independent Directors prescribed under the Act, the Listing Regulations and specifically the procedure set out under Schedule IV of the Act (Code for Independent Directors) will be followed. The Board shall also comply with other applicable laws.

1.2. Removal

The appointment of an Independent Director may be terminated at the recommendation of the NRC or by the Board on its own in the event he/she:

- commits a breach of any of the duties, functions and responsibilities or obligations towards the Company or for reasons prescribed under the Act; or
- compromises independence vis-à-vis the Company in any manner whatsoever which will have an impact on the criteria of independence.
- If he/she becomes prohibited by law or under the Articles of Association from being an Independent Director of the Company.

7. Appointment and Removal of Managing Director, Joint Managing Director, Whole-Time Directors, KMPs and Senior Management Personnel

1.1. Appointment

(i) Depending upon the requirements of the Company for the above positions, the NRC shall identify persons and recommend their appointment to the Board including the terms of appointment and remuneration.

(ii) The Board will consider the recommendations of NRC and accordingly approve the appointment(s) and remuneration. The appointment of the Managing Director/Joint Managing Director/ Whole-time Directors shall be subject to the approval of the shareholders.

(iii) Appointments of other employees will be made in accordance with the Company's Human Resource (HR) policy.

1.2. Removal

(i) The appointment of the Managing Director/ Joint Managing Director/Whole Time Directors may be terminated at the recommendation of the NRC or by the Board on its own, if such Director commits a breach of any of the duties, functions and responsibilities or obligations or he/she becomes prohibited by law or under the Articles of Association from being such director of the Company.

(ii) The appointment of KMPs/Senior Management Personnel may be terminated at the recommendation of the NRC or by the Board on its own, if the person commits a breach of any duties, functions and responsibilities or obligations or for reasons prescribed under the Act or the Listing Regulations or for reasons of poor performance as measured as the result of the performance appraisal process over one or more years or suffers from any disqualification(s) mentioned in the Act, the Rules or under any other applicable laws, rules and regulations, or breaches the code of conduct and / or policies of the Company.

(iii) In respect of employees in other positions, where an employee suffers from any disqualification(s) mentioned in the Act, if any, under any other applicable laws, rules and regulations, the code of conduct and / or policies of the Company, the Management of the Company may terminate the services of such employee as laid down in the HR Policy of the Company.

8. Remuneration

1.1. The remuneration of the Non-Executive / Independent Directors will include the following:

(i) Variable remuneration in the form of commission calculated as a percentage of the net profits of the Company as recommended by the NRC and to the extent permitted in the Act and approved by the Board and / or the shareholders of the Company. The payment of commission is based on criteria such as attendance at meetings of the Board/ Committees of the Board, time devoted to the Company's work, the responsibilities undertaken as Chairmen of various committees/ the Board, their contribution to the conduct of the Company's business, etc.;

(ii) Sitting fee for attending meetings of the Board and committees constituted by the Board;

(iii) Reimbursement of expenses for participation in the meetings of the Board and other meetings.

1.2. The remuneration of the Managing Director, Joint Managing Director, Whole-time Directors, KMPs and Senior Management Personnel should be commensurate with qualifications, experience and capabilities. The remuneration should take into account past performance and achievements and be in line with market standards. In determining the total remuneration, consideration should be given to the performance of the individual and also to the performance of the Company. In both cases, performance is measured against goals/plans determined beforehand at the commencement of a year and well communicated to the individual/ the individual holding the management position, as the case may be.

1.3. The remuneration of the Managing Director/ Joint Managing Director/Whole Time Director/ KMPs/Senior Management Personnel will include the following:

(i) Salary and allowances - fixed and variable besides other Benefits as per Rules contained in the HR Policy applicable to Senior Management Personnel;

(ii) Retirement benefits including provident fund / gratuity / superannuation / leave encashment;

(iii) Performance linked bonus.

1.4. No Sitting Fee shall be payable to the Managing Director/a Whole Time Director for attending meetings of Board or the committees constituted by the Board.

1.5. The remuneration of the employees other than Senior Management Personnel shall be as per Company's HR Policy.

9. Increments

1.1. Increments of Managing Director/Joint Managing Director/Whole-time Directors will be granted by the Board based on the recommendation of the NRC taking into account the performance of the individual, the performance of the business and the Company as a whole. Performance will be measured against pre-determined and agreed goals/plans which are made known at the commencement of the year. The Board and the shareholders of the Company may approve changes in remuneration from time to time.

1.2. Appraisal will be carried out and award of increments of the KMPs/Senior Management Personnel/other employees will be determined according to the prevalent HR Policy and practice of the Company. The NRC will oversee compliance with the process.

10.Review/Amendment

Based on the recommendation of the NRC, the Board may review and amend any or all clauses of this Policy depending upon exigencies of business.

Annexure - 1

Evaluation Criteria

1. The evaluation of performance of the Directors of the Company shall be undertaken as under:

S. No.	Provisions of the Act	Evaluation of Performance of	Performance to be evaluated by
A.	Section 178(2)	Independent Directors	Nomination and Remuneration Committee
		Non-Independent Directors	
B.	Section 134(3)(p) read with Schedule IV of the Act	The Board	Board
		Committees of the Board	
		Independent Directors	
		Non-Independent Directors	
C.	Listing Regulations and Schedule IV of the Act	Non-Independent Directors	Independent Directors
		The Board	
		Chairman of the Company	

Annexure - C

Annual Report on CSR Activities

1. Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The Company's CSR policy aims to create a meaningful and lasting impact in the lives of beneficiaries. To achieve the desired impact, the Company focuses its resources on a limited number of projects in specific areas rather than spread them thin over several projects. CSR activities are primarily undertaken in the areas of community development, road safety and skill development. All projects are implemented directly by the Company in a project mode, with regular and systematic assessments and reviews built in to monitor plan progress.

As part of community development programme, the Company is making efforts to transform 26 adopted villages, near its facilities, as per an approved village development plan. Work is being undertaken on five thematic areas of intervention identified within the village, in consultation with the community, including water, sanitation, health, education and creation of common community assets. The Company will soon start work to set up a multi-specialty hospital and an English medium school in Gujarat, for the public at large.

This year, the Company has embarked on two transformational road safety technology projects in the national capital: Traffic Safety Management System (TSMS) and Automated Driving Test Track (ADTT). As part of TSMS project, traffic surveillance systems including 3D radars, high-resolution cameras are deployed at select high-volume traffic junctions, to deter traffic violations. Under the ADTT project, the Company is building driving test tracks and installing advanced cameras at 12 centers to ensure driving licenses can be issued using video analytics, in a transparent and efficient manner. Both projects are designed and implemented with the intent to create replicable models, and with the vision to encourage a culture of compliance among road users.

As part of its skill development mandate, the Company is expanding its efforts to enhance employability of underprivileged youth by improving the quality of skill training in over 110 Industrial Training Institutes (ITIs). The adopted ITIs are being transformed as per the ITI development plan and would be completed within the defined time line. The development plan includes undertaking relevant initiatives such as upgrade workshops, enhancing industry exposure for trainers and students and imparting soft skills to make students industry-ready. The Company has contributed to the setting up of i-ACE, a state-of-the-art institute for automobile training and research. The Company's flagship skill development institute, Japan India Institute for Manufacturing (JIM), achieved 100% placement for its first batch of students and the initiative is currently being expanded.

Web link: http://www.marutisuzuki.com/our-policies.aspx

2. The composition of the CSR Committee.

The composition of the CSR Committee of the Board is as under.

S. No.	Name	Designation/Category	CSR Committee
1.	Mr. R. C. Bhargava	Chairman/ Non-Executive	Chairman
2.	Mr. K. Ayukawa	Managing Director & CEO/Executive	Member
3.	Mr. R. P. Singh	Independent Director	Member

3. Average Net Profit of the Company for last three financial years.

Average net profit of the Company for last three financial years (2015-16, 2016-17 and 2017-18) calculated in accordance with the provisions of the Section 198 of Companies Act, 2013 is ₹ 76,767 million.

4. Prescribed CSR Expenditure (two percent of the amount as in item No. 3 above)

Two percent of the average net profit for last three financial years is ₹ 1,535 million.

5. Details of CSR spent during the financial year:

A. Total amount to be spent for the financial year: The Company had spent ₹ 1,250.8 million in 2017-18. In 2018-19, the Company was able to scale up the CSR spend to ₹ 1,540.7 million i.e. over two percent of the average net profit for last three financial years.

B. Amount unspent: Nil

C. Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project / activity identified	Sector in which the project is covered	Projects /Programmes 1.Local area/others- 2.Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project/ programs wise (in ₹ million)	Amount spent on the project /programs Subheads: 1. Direct expenditure on project, 2.Overheads — Direct (in ₹ million)	Overhead (in ₹ million)	Cumulative spend up to the reporting period (in ₹ million)	Amount spent: Direct /through implementing agency
	Community Development							
1.	Water & Sanitation, Rural Development projects: Sewer lines, water tanks, potable drinking water ATMs, village waste collection and disposal, construction of household toilets.	Water and Sanitation, Rural Development Projects	1. Local 2. Manesar, Gurugram and Rohtak (Haryana), Hansalpur (Gujarat), Bengaluru Rural (Karnataka)	380	372.6	4.1	376.7	Through implementing agency
2.	Education projects: Upgradation of government school infrastructure and improving learning level of students	Education	Local: Manesar, Gurugram, Rohtak (Haryana), Hansalpur (Gujarat)	40	34.8	0.5	35.3	Through implementing agency
	Education projects: Setting up of English medium CBSE school.	Education	Sitapur (Gujarat)	10	7	-	7	Through implementing agency
3.	Health projects: Running dispensary, Setting up of a multi-specialty hospital.	Health	Local: Hansalpur (Gujarat)	30	26.8	-	26.8	Through implementing agency
	Skill Development							
1.	Japan India Institute for Manufacturing (JIM) and ITI Mirzapur: Upgradation and management of the Institutes	Japan India Institute of Manufacturing (JIM) and ITI Mirzapur	Mehsana (Gujarat), Mirzapur (Uttar Pradesh)	70	65.9	3.2	69.1	Through implementing agency
2.	Upgradation of Govt vocational and technical training institutes: Upgradation, repair and maintenance of workshops and infrastructure Set up placement centre. Overall development of teachers, students and facilitate industry exposure. Offer industry-oriented add-on courses.	Upgradation of Govt vocational and technical training institutes	Pan India	190	184.6	0.2	184.8	Through implementing agency
3.	Skill enhancement in automobile trade at Industrial Training Institutes (ITI): Support upgradation of automobile trade. Upgradation of training facilities and workshops. Train the trainer. Provision of study material and practical training.	Skill enhancement in automobile trade at Industrial Training Institutes (ITI)	Pan India	70	53.8	0.2	54	Through implementing agency
4.	Setting up of the International Automobile Centre of Excellence (iACE): Setting up of the institute	Setting up of the International Automobile Centre of Excellence (iACE)	Gandhinagar (Gujarat)	500	500	-	500	Directly

S. No.	CSR project / activity identified	Sector in which the project is covered	Projects /Programmes 1.Local area/others- 2.Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project/ programs wise	Amount spent on the project /programs Subheads: 1. Direct expenditure on project, 2.Overheads		Cumulative spend up to the reporting period	Amount spent: Direct /through implementing agency
					Direct	Overhead		
				(in ₹ million)	(in ₹ million)	(in ₹ million)	(in ₹ million)	
	Road Safety							
1.	Use of technology to bring behavioural change among commuters and for reduction in road accidents and compliance to traffic rules: Traffic Safety Management System (TSMS)	Use of technology to bring behavioural change among commuters and for reduction in road accidents and compliance to traffic rules	Delhi	130	121	-	121	Through implementing agency
2.	Improvement in licensing system: Setting of Automated Driving Test Tracks (ADTT)	Improvement in licensing system	Delhi	40	36.8	0.2	37	Through implementing agency
3.	Promotion of driving training: Training professional drivers	Promotion of driving training	Pan India	10	3.4	-	3.4	Through implementing agency
4.	Train the trainer, road safety awareness and decongestion initiatives: Road safety awareness	Train the trainer, road safety awareness and decongestion initiatives	Pan India	100	94.9	1.9	96.8	Through implementing agency
	Contribution to the Prime Minister's National Relief Fund				20	-	20	Directly
	Total (A)			**1,570**	**1,521.6**	**10.3**	**1,531.9**	
	CSR Administrative Overheads							
	Common Administrative Overheads (Salary of staff and expenditure on training and capacity building) (B)			30	8.8			
	Grand Total (A+B)			**1,600**	**1,540.7**			

* Overheads primarily include transport costs, stationery, refreshments, telecommunication charges etc.

** Administrative overheads include salary, training and capacity building of CSR staff. These expenditures are undertaken independent of the projects.

6. In case the Company fails to spend the 2% of the Average Net Profit (₹) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report.

Not applicable (The Company has spent over 2% of the Average Net Profits of the last 3 financial years in 2018-19).

7. Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.

The Company has implemented and monitored CSR projects in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

R.C. Bhargava
Chairman
New Delhi
25th April 2019

Kenichi Ayukawa
Managing Director & CEO

Annexure - D

Information in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Boards' Report for the year ended 31st March, 2019.

A. Energy Conservation

The Company continued its energy conservation drive with main focus on reducing energy cost and improving efficiency through adoption of new technology and optimisation of processes thereby reducing operational costs. The Company spent ₹ 44.76 million as capital investment towards energy conservation equipment which is 2.5 times of the investment done in 2017-18. Capital investment towards energy conservation equipment and energy saving initiatives at its plants helped the Company in reducing energy cost. Some of the activities carried out during the year towards environment, energy and water conservation are mentioned as under:

1. Energy cost reduction:

- Commissioning of grid connected 316kWp photovoltaic PV solar plant at Manesar.
- Increase in usage of low cost grid power through diesel rotary UPS system at Rohtak.
- Modification of power generation scheme for gas turbine no. 3 from (11kV-66kV-11kV) to (11kV-11kV) at Gurugram.

2. Energy conservation:

- Installing energy saving variable frequency drive (VFD) on chiller water circulation pumps, ultrafiltration and reverse osmosis spray pumps and air compressor at Manesar.
- Reduction in electricity and compressed air by optimisation of air shower time at Paint shops and spray points in hemming machines of Weld shops respectively.
- Efficiency improvement of gas turbine by modification of software to modulate inlet guide vane (IGV) during low loads (0 to 8 MW) at Gurugram.
- Cyclo drive installation in dough kneader machine at Gurugram.
- Addition of 300kVAr low tension capacitor bank in MPT for improving power factor of grid supply.
- Replacement of raw water tank pumps with energy efficient pumps at Manesar.
- Adoption of non-invasive technology instruments for:
    - Capturing operating parameters of motors while running by motor analyzer.
    - flow measurement of pumps by ultrasonic flowmeters.
    - infrared mapping for thermal losses by infrared camera.
    - identification of air leakages by ultrasonic leak detectors.
- Awareness and training sessions organised on 'Energy Audits', 'ISO 50001' and 'Energy Conservation Building Code (ECBC)' for sensitising and upgrading the knowledge base of personnel across Gurugram, Manesar and Rohtak.

3. Reliability / process improvement:

- Renewal of precision air conditioners for IT servers at Manesar.
- Upgradation of multiple thermo-mechanical relay of all generators control panels with advanced electronic relay at MPT Casting.
- Elimination of material rejection in heat treatment batch furnaces by providing redundancy in electrical power system.

4. Safety improvement:

- Installation of Earth rite system in high speed diesel (HSD) storage area at Rohtak.
- Upgrading flux compensating magnetic amplifier (FCMA) starters with 40 kA type tested electronic soft starter for centrifugal air compressors (Centac-6) at Manesar.
- Renewal of old pipe rings of hydrant system covering all areas.
- Health assessment of chimney structures of generators at MPT Casting.
- Installation of alarm and pressure monitoring system in natural gas line.

5. Water and environment conservation:

- 74 recharge wells made for rain water harvesting at Gurugram.
- Rain water storage capacity increased by 4699 cubic meter at Gurugram.
- Recycling of used sand from Casting plants at Gurugram and Manesar.
- Reuse of industrial water for cleaning of magnetic rods in Paint shops.
- Automatic water sprinkler system for horticulture area at Gurugram.

B. Research & Development (R&D)

The Company has always made efforts to modernise the Indian auto industry with Suzuki's well known product and technology offerings which not only meet customer requirement but are setting the direction for the Indian automotive industry. The Company's engineering is making efforts to identify the appropriate Suzuki technologies for India, absorb them for Indian conditions and localise with Indian vendors to provide most cost effective solutions for the Indian customers. This year marks a quantum leap with introduction of new products and technologies that are safe, affordable, environment friendly to delight the Indian customer. With the growing customer expectations, the Company has localised and launched products that are fresh in design, high in performance, reliability and are equipped with new technologies and features.

In order to strengthen the leadership position in Indian passenger car market, the Company launched Suzuki's completely new 3rd generation WagonR and 2nd generation Ertiga. Continuing with the success of previous generation models, these products offer next level experience to our customers. Also, the Company has refreshed Ciaz in a new avatar with new and advanced K15 petrol and DDiS 225 diesel engines, Vitara Brezza with auto gear shift (AGS) technology and Baleno with new bolder look. These changes echo the aspirations of today's young customer with a perfect blend of style and class.

Continuing with its commitment to launch environment friendly technologies, this year the Company has showcased Electric Vehicles (EV) prototype for the Indian market and has commenced a nation-wide fleet testing of fifty EV's. These vehicles use the electric vehicle technology developed by Suzuki and has been produced at the Company's Gurugram plant.

Technology:

In an effort to enhance customer experience, the Company introduced many Suzuki technologies in the area of safety, connectivity, comfort, convenience and environment.

Safety:

- **Platform:** 2nd Gen Ertiga and 3rd Gen WagonR are built on Suzuki's 5th generation HEARTECT platform. The platform increases safety of occupants through effective absorption of impact, dispersion of crash energy and assures stability. The 2nd Gen Ertiga and 3rd Gen WagonR are compliant for frontal offset impact, side impact and pedestrian protection regulations.

Connected technologies:

- **Telematics:** Advanced telematics solution 'Suzuki Connect' was launched as a genuine accessory. 'Suzuki Connect' aims to enhance user convenience and experience through various advanced technologies for emergency alerts, vehicle tracking, live vehicle status and preventive maintenance calls.

Environment friendly technologies:

- **Smart hybrid technology:** Suzuki's next generation smart hybrid technology with new lithium ion battery was introduced in refreshed Ciaz. This technology developed by Suzuki, offers longer service life and contributes to improved fuel efficiency. This technology was extended to 2nd Gen Ertiga as well.

- **Alternate fuel CNG:** To further strengthen green technology footprint in India, the Company launched WagonR S (Smart) CNG which comes with factory fitted CNG. The S-CNG technology ensures high performance with dual electronic control unit (ECU) and intelligent-gas port injection technology. Direct mounted CNG injectors introduced in WagonR contributes in making it the most fuel efficient CNG car.

- **New powertrains:** The new and revolutionary 1.5 litre K15 petrol engine, designed by Suzuki and developed by the Company was introduced in refreshed Ciaz and 2nd Gen Ertiga. Engine portfolio is further enhanced with the introduction of a new 1.5 litre DDiS 225 diesel engine, designed by Suzuki and developed by the Company, in refreshed Ciaz which provides the best in class fuel efficiency. This engine can be further upgraded to meet the upcoming emission challenges.

Comfort and convenience:

- **Infotainment:** The next generation SmartPlay Studio Infotainment system has been introduced in the 3rd Gen WagonR and refreshed Baleno, the SmartPlay Studio is a 17.78cm (7") touch screen infotainment system that combines smartphone, vehicle and cloud-based services to offer a delightful driving experience.

- **Advanced AGS:** Suzuki's revolutionary two-pedal technology, Auto Gear Shift, is now being extended to Vitara Brezza. It's a convenience feature for ease of driving and reducing fatigue. This technology is one such innovation which has been progressively introduced in models line-up and is widely accepted among customers. With introduction in Vitara Brezza, this technology is available in other current models.

Focus on safety and emission regulations:

- **Safety:** To reduce road fatalities for driver, passengers and pedestrians, the Government of India has introduced safety norms such as Frontal, Side Crash and Pedestrian for Indian market. Majority of the Company's models comply with the upcoming safety regulations, well in advance to the official regulation requirement. The Company proactively introduced safety technologies like anti-lock braking (ABS), seat belt reminder, driver airbag, reverse parking sensor system and vehicle tracking system, etc. to meet AIS 145(safety regulation) and AIS 140(vehicle tracking system) regulation.

- **Emissions:** Currently the Company's engineering is making all efforts to ensure all the models and powertrain options are upgraded using Suzuki's proven technology to meet BS6 regulation well in time.

  With growing mobility in India, there is a need for practical and feasible solutions that have the potential to reduce fuel consumption and India's oil import. Moving in this direction, the Company apart from strengthening its CNG presence with factory fitted CNG models is also looking at technology agnostic approach which includes focus on launching Suzuki's hybrid and electric vehicles in India.

Specific areas in which R&D has been carried out:

The Company's efforts to launch latest Suzuki's developed technologies and features by technology absorption and localisation has helped in enhancing value proposition to our customers in the following areas:

Comfort and convenience:

- 2nd Gen Ertiga and 3rd Gen WagonR developed on Suzuki's wider HEARTECT platform offered roomier cabin space and improved boot space.
- 2nd Gen Ertiga, 3rd Gen WagonR and refreshed Ciaz came with improved handling performance. Further, WagonR comes with high mounted gear shift to improve the ergonomics.
- 2nd Gen Ertiga comes with one-touch fold and slide system for easy access to 3rd row, air-cooled cup holders, bottle holders and accessory socket in each row.
- Vitara Brezza now has the option of AGS for enhanced convenience.

Improved aesthetics:

- 3rd Gen WagonR comes with bold exterior design having robust body language with wide stance, muscular side body with flared wheel arches and projector headlamps.
- Refreshed Baleno launched with a sporty and elegant front fascia having wider stance, new grille with dynamic 3D detailing and new precision cut smoked two tone 16" alloy wheels which complements the elegant character of the model.
- To enhance the design of Ignis and give it a strong road presence, new roof rails offered in its Zeta and Alpha variants.
- New styled diamond cut alloy wheel in refreshed Ciaz adds to the premium image of the vehicle.

Safety and noise vibration & harshness (NVH):

- All new models are equipped with safety features such as dual airbags, high speed warning alert, front seat belt with pre-tensioners and force limiters, ABS with electronic brake force distribution (EBD) and brake assist and reverse parking sensors.
- For the first time, the Company introduced electronic stability program (ESP) variant in domestic market. This was introduced in 2nd Gen Ertiga and refreshed Ciaz.
- ISOFIX child seat anchorage was a standard fitment in new Ciaz, Ertiga, Baleno and Vitara Brezza. ISOFIX is an International Organisation for Standardisation standard ISO 13216, which specifies the anchoring system for Group 1 child safety seats.
- All the new models complied with offset, side crash and pedestrian safety norms.

Weight reduction and fuel efficiency improvement:

- The Company has adopted a number of initiatives for weight reduction in various system designs.
- The CNG powered WagonR offering best-in-class mileage of 33.54km/kg and is available in Lxi variant of the 1.0 litre engine.
- Various initiatives taken for improving fuel efficiency were:
  - Mechanical loss reduction by using low viscosity transmission fluid.
  - Adopting low-friction bearings in new design 5 speed manual transmission to reduce mechanical losses thereby improving fuel efficiency.
  - Gear ratio optimisation of 6-speed manual transmission for better fuel efficiency and performance in DDiS 225.

Benefits derived as a result of above R&D initiative:

- Launched the stylish 2nd Gen Ertiga in a completely new avatar. It comes with aspirational exterior design and plush dual tone interiors to enrich the lifestyle of the ever evolving young Indian customers.
- Launched the new 3rd Gen WagonR, new WagonR has a robust body language with a wide stance, which makes it strikingly attractive to the customers.
- Launched refreshed Ciaz which is engineered to offer class-leading comfort, impactful exteriors, elite

interiors, unmatched performance along with an array of safety and convenience features. The refreshed Ciaz now comes with new K15 1.5 litre petrol engine and 1.5 litre diesel DDiS 225 engine which offers an optimum balance of enhanced performance with best in class fuel efficiency.

- Introduction of refreshed Baleno with a new bolder look and Vitara Brezza with AGS which will further enhance the brand's appeal.

- Launched Ignis with new safety features and roof rails for a distinct look. This updated version is even more attractive for the premium urban car user.

- Launched WagonR S (Smart) CNG in Lxi variant of 1.0 litre engine.

- The Company saved ₹ 275 million by localisation and ₹ 2,365 million from implementation of Value Analysis / Value Engineering (VA / VE) concepts.

- Rigorous efforts were also made to localise imported parts including many high technology parts. This has helped in reducing material cost as well as de-risking from foreign exchange fluctuations.

- The Company has also worked closely with its vendor partners to increase the value of the parts i.e. higher function at lower cost.

Technology Absorption, Adaptation and Innovation

1. **Efforts in brief made towards technology absorption, adaptation and innovation:**

- Product development efforts are further strengthened by analysis of various competitor products across the globe through focused performance and functional benchmarking of vehicle as well as sub-systems.

- Establishing simulation methods to replicate market quality feedbacks and suggest countermeasures for design improvement.

- Special value enhancement idea generation activities jointly carried with vendor partners for reducing cost to provide better value to customers.

- Value engineering ideas to achieve quality, performance and cost targets.

- Focus on capturing passenger comfort for Indian conditions and incorporating the feedback in future models.

- Vehicle body design using high tensile material and new light weight energy efficient structure.

2. **Benefits derived as a result of above efforts:**

- Attractive, high quality and value for money products.

- New technologies at right cost, time and quality.

- Significant weight reduction in new models relative to existing models without compromising on safety, performance and durability.

- Improved safety for drivers, passengers and pedestrians.

- High local content in new models leading to lower cost.

- Improved fuel efficiency.

3. **Technology inducted over last 3 years:**

Technology Inducted in 2016-17:

- New Suzuki's 5th generation stronger, safer and lighter A-platform introduced in Ignis.

- "Android auto" extending smartphone connectivity to android users introduced in Ignis.

- 1.0 litre booster direct injection turbo charged engine launched in Baleno RS.

- Light emitting diodes (LED) projector headlamps with LED daytime running lamps introduced in Ignis first in the segment in Indian automotive market.

- AGS extended to WagonR.

Technology Inducted in 2017-18:

- New Dzire and Swift are based on Suzuki's latest 5th generation HEARTECT platform which is lighter, stronger and safer.

- Android auto extended to other models sold through Arena channel.

- Increased penetration of smart hybrid technology with introduction in S-Cross.

- Advance AGS extended to Swift and Dzire for optimum fuel efficiency and ease of driving.

- Twin cylinder CNG system introduced in Super Carry.

Technology Inducted in 2018-19:

- 2nd Gen Ertiga and 3rd Gen WagonR are engineered and built on Suzuki's 5th generation HEARTECT platform. The platform increases safety of occupants through effective absorption of impact and dispersion of crash energy and assures stability.

- Launched an advanced telematics solution called 'Suzuki Connect'.

- Suzuki designed new generation dual battery smart hybrid technology introduced in Ciaz and later extended to Ertiga as well.
- AGS technology extended to Vitara Brezza for optimum fuel efficiency and ease of driving.
- ESP technology introduction in Ciaz and Ertiga.
- New 1.5 litre K15 petrol engine introduced in Ciaz and 2nd Gen Ertiga. Engine portfolio further strengthened with the introduction of a new 1.5 litre DDiS 225 diesel engine in Ciaz.
- New design 6-speed manual transmission with optimised gear ratios introduced for better fuel efficiency and performance in DDiS 225 diesel engine.
- Next generation smartplay studio and smartplay dock infotainment systems have been introduced.

Expenditure incurred on R&D

(₹ in million)

Particulars	2018-19	2017-18
A Capital Expenditure	4,372	3,570
B Net Revenue Expenditure	2,756	4,746
Total	**7,128**	**8,316**

D. Foreign Exchange Earnings and Outgo (Cash Basis)

During the year, total inflows (on cash basis) in foreign exchange were ₹ 52,186 million and total outflows (on cash basis) in foreign exchange were ₹ 128,027 million.

For and on behalf of the Board of Directors

R.C. Bhargava
Chairman

Kenichi Ayukawa
Managing Director & CEO

New Delhi
25th April, 2019

Annexure - E

Form No. MR - 3

Secretarial Audit Report

For the financial year ended on 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Maruti Suzuki India Limited
(CIN: L34103DL1981PLC011375)
Plot No.1, Nelson Mandela Road,
Vasant Kunj, New Delhi - 110070

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Maruti Suzuki India Limited** (hereinafter referred as 'the Company'), having its Registered Office at Plot No.1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. Further, there was no transaction of Overseas Direct Investment which was required to be reviewed during the period under audit;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as the Company has not issued any further share capital during the period under review];**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **[Not Applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent];**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review];**

h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 **[Not**

Applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review].

VI. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

1. Motor Vehicles Act, 1988

2. The Central Motor Vehicles Rules, 1989

For the compliances of Environmental Laws, Labour Laws & other General Laws vis-à-vis The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice(s) were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board and Committees of the Board signed by the Chairman, all the decisions of the Board were adequately passed and the dissenting members' views, if any, was captured and recorded as part of the minutes.

As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same are in compliance with the Act.

We further report that on review of the compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as the Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks were assigned to specified individuals. The software enables in planning and monitoring all compliance activities across the Company.

We further report that during the audit period the Company has following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

1. The Board of Directors in its Board Meeting held on 27th July, 2018 accorded consent for incorporation of a joint venture company named "Bahucharaji Rail Corporation Limited" by subscribing upto 33% of equity share capital.

2. The Board of Directors in its Board Meeting held on 27th March, 2019 accorded consent for incorporation of a Joint Venture Company named "Maruti Suzuki Toyotsu India Private Limited" by subscribing upto 50% equity share capital.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date : 25th April, 2019

Note: This report is to be read with '**Annexure I**' attached herewith and forms an integral part of this report.

Annexure - I

To,
The Members
Maruti Suzuki India Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2019 of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date : 25th April, 2019

Addendum to the Board's Report

Directors

Pursuant to the withdrawal of nomination by Suzuki Motor Corporation, Mr. Kazunari Yamaguchi, Mr. Toshiaki Hasuike and Mr. Kazuhiko Ayabe tendered their resignations from the Board with effect from the close of business hours of 26th July, 2019. Therefore, Mr. Toshihiro Suzuki and Mr. Kinji Saito (instead of Mr. Kazuhiko Ayabe) shall retire by rotation in the ensuing Annual General Meeting of the Company. Mr. Takahiko Hashimoto was appointed as a Whole-time Director designated as Director (Marketing & Sales) with effect from 27th July, 2019. Mr. Hisashi Takeuchi and Mr. Hiroshi Sakamoto were appointed as Non-Executive Directors with effect from 27th July, 2019. The Board has also recommended the re-appointment of Mr. D.S. Brar and Mr. R.P Singh as Independent Directors and the appointment of Ms. Lira Goswami as an Independent Director for a period of five years from 28th August, 2019 till 27th August, 2024 for the approval of the shareholders in the Annual General Meeting.

For and on behalf of the Board of Directors

R.C. Bhargava
Chairman

Kenichi Ayukawa
Managing Director & CEO

New Delhi
26th July, 2019

Dividend Distribution Policy

The Company has already laid down the Dividend Distribution Guidelines ('Dividend Guidelines') which were approved by the Board of Directors of the Company ('Board') on 30th October, 2014. The Securities and Exchange Board of India has amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') under which the Company is required to formulate a dividend distribution policy.

Pursuant to the aforesaid change in the Listing Regulations, the Board has approved this Dividend Distribution Policy ('Policy') of the Company on 23rd March, 2017.

The Company shall declare and pay dividend in accordance with the provisions of the Companies Act, 2013, rules made thereunder and Listing Regulations as amended from time to time.

Following points shall be considered while declaring dividend:

- Consistency with the Dividend Guidelines as laid out by the Board
- Sustainability of dividend payout ratio in future
- Dividend payout ratio of previous years
- Macroeconomic factors and business conditions

Retained earnings are intended to be utilised for:

- Investments for future growth of the business
- Dealing with any possible downturns in the business
- Strategic investment in new business opportunities

The Company currently has only one class of shares i.e. equity shares. As and when it proposes to issue any other class of shares, the policy shall be modified accordingly.

Dividend guidelines

Background: Many shareholders have opined that the Company should provide a dividend policy in the interest of providing greater transparency to the shareholders.

The Board, at the time of approving the annual accounts in each year, also decides the dividend to be paid to the shareholders depending on the context of business in that year. A policy stated by the current Board cannot be binding on future Board. However, the current Board can form a guideline on dividend payout in future in the interest of providing transparency to shareholders.

Board approval

The Board accordingly approved the following guidelines for dividend payment:

The Company would endeavour to keep the Dividend payout ratio, except for reasons to be recorded, within the range of 18% to 40%. The actual dividend for each year would be decided by the Board taking into account the availability of cash, the profit level that year and the requirements of capital investments.

Corporate Governance Report

Corporate Governance Philosophy

Maruti Suzuki India Limited (the Company) is fully committed to practising sound corporate governance and upholding the highest business standards in conducting business. Being a value-driven organisation, the Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The Company fosters a culture in which high standards of ethical behaviour, individual accountability and transparent disclosure are ingrained in all its business dealings and shared by its Board of Directors, management and employees. The Company has established systems and procedures to ensure that its Board of Directors is well-informed and well-equipped to fulfil its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value.

Management Structure and Shared Leadership

The Company has a multi-tier management structure with the Board of Directors at the top. The Company has five business verticals viz. engineering, quality assurance, production, supply chain and marketing & sales. Besides the above, the support functions of human resources, legal, secretarial, finance, information technology, logistics, realty acquisition and corporate planning report directly to the Managing Director & CEO. The top level management of these verticals consists of a team of two persons, one of whom is a Japanese manager and the other, an Indian manager. The managers at the top level are designated as Senior Executive Officers (Sr.EOs)/Executive Officers (EOs). The board meetings of the Company mark the presence of all the Sr.EOs / EOs, as they act as a channel between the Board above them and the employees. This structure not only allows easy and quick communication of field information to the Board members but also gives the top management the opportunity to give recommendations relevant to their business operations. The Sr.EOs/EOs are supported by the divisional heads and the departmental heads. Through this, it is ensured that:

- Strategic supervision is provided by the Board;
- Control and implementation of the Company's strategy is achieved effectively;
- Operational management remains focused on implementation;
- Information regarding the Company's operations and financial performance are made available adequately;
- Delegation of decision making with accountability is achieved;
- Financial and operating control and integrity are maintained at an optimal level; and
- Risk is suitably evaluated and dealt with.

Board of Directors

Composition of the Board

As on 31st March, 2019, the Company's Board consists of twelve members. The Chairman of the Board is a Non-Executive Director. The Company has an optimum combination of Executive and Non-Executive Directors in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Board has two Executive Directors and ten Non-Executive Directors, of whom four are Independent Directors. Their composition is given in **Table 1**. Except Mr. Osamu Suzuki and Mr. Toshihiro Suzuki who are related to each other, none of the other Directors is related to any other Director. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interests of stakeholders and the Company.

Table 1: Composition of the Board as on 31st March, 2019

S. No.	Name	Category	*No. of directorship(s)		No. of committee(s)		Name of the listed entities	
			Public	Private	Member (including chairpersonship)	Chairpersonship	In which he/she is a director	Category of directorship
1.	Mr. R. C. Bhargava	Chairman, Non-Executive	4	2	3	1	Dabur India Limited Maruti Suzuki India Limited	Independent Non-Executive
2.	Mr. Kenichi Ayukawa	Managing Director and CEO, Executive	4	1	2	-	Maruti Suzuki India Limited Subros Limited	Executive Non-Executive
3.	Mr. Kazunari Yamaguchi	Executive	2	1	-	-	Maruti Suzuki India Limited Machino Plastics Limited	Executive Non-Executive
4.	Mr. Osamu Suzuki	Non-Executive	1	-	-	-	Maruti Suzuki India Limited	Non-Executive
5.	Mr. Toshihiro Suzuki	Non-Executive	1	-	-	-	Maruti Suzuki India Limited	Non-Executive
6.	Mr. Toshiaki Hasuike	Non-Executive	1	-	-	-	Maruti Suzuki India Limited	Non-Executive
7.	Mr. Kazuhiko Ayabe	Non-Executive	1	-	-	-	Maruti Suzuki India Limited	Non-Executive
8.	Mr. Kinji Saito	Non-Executive	1	-	-	-	Maruti Suzuki India Limited	Non-Executive
9.	Mr. Davinder Singh Brar	Independent	3	10	6	2	Mphasis Limited Maruti Suzuki India Limited Wockhardt Limited	Independent Independent Independent
10.	Mr. R.P. Singh	Independent	3	1	4	-	Bharti Infratel Limited Maruti Suzuki India Limited	Independent Independent
11.	Ms. Pallavi Shroff	Independent	4	10	2	1	Apollo Tyres Limited Maruti Suzuki India Limited Trident Limited	Independent Independent Independent
12.	Ms. Renu Sud Karnad	Independent	8	0	6	1	ABB India Ltd. Maruti Suzuki India Limited HDFC Life Insurance Company Limited HDFC Asset Management Company Ltd Housing Development Finance Corporation Limited	Independent Independent Non-Executive Non-Executive Executive

*Doesn't include directorship in foreign companies.

- In terms of Regulation 26(1) of Listing Regulations:
  - Foreign companies, private limited companies and companies under section 8 of the Companies Act, 2013 are excluded for the purpose of considering the limit of committees.
  - The committees considered for the purpose are audit committee and stakeholders' relationship committee.
  - None of the Directors was a member of more than 10 committees or Chairman of more than 5 committees across all listed companies in which he/she is a Director.
- In terms of Schedule V of Listing Regulations:
  - In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of management.
  - A certificate from a Company Secretary in practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority forms part of this report as **Annexure - A**.

None of the Directors holds equity shares in the Company.

Board Meetings

The Board met five times during the year on 27th April, 2018, 26th July, 2018, 25th October, 2018, 25th January, 2019 and 27th March, 2019. The Board meets at least four times a year with a maximum gap of one hundred and twenty days between any two meetings. Additional meetings are held, whenever necessary. **Table 2** gives the attendance record of the Directors at the board meetings as well as the last annual general meeting (AGM).

Table 2: Board Meeting and AGM Attendance Record of the Directors in 2018-2019

S. No.	Name	Number of Board Meetings attended (Total meetings held: 5)	Whether attended last AGM (23rd August, 2018)
1.	Mr. R. C. Bhargava	5	Yes
2.	Mr. Kenichi Ayukawa	5	Yes
3.	Mr. Kazunari Yamaguchi	5	Yes
4.	Mr. Toshiaki Hasuike	5	Yes
5.	Mr. Kazuhiko Ayabe	5	Yes
6.	Mr. Osamu Suzuki	5	No
7.	Mr. Toshihiro Suzuki	4	Yes
8.	Mr. Kinji Saito	5	Yes
9.	Mr. Davinder Singh Brar	5	Yes
10.	Mr. R.P. Singh	5	Yes
11.	Ms. Pallavi Shroff	2	Yes
12.	Ms. Renu Sud Karnad	4	Yes

Information Supplied to the Board

The Board has complete access to all information of the Company. The following information is provided to the Board and the agenda papers for the meetings are circulated seven days in advance of each meeting:

- Annual operating plans, capital and revenue budgets and updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of the audit committee and other committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary;
- Materially important show cause, demand, prosecution and penalty notices;
- Fatal or serious accidents and dangerous occurrences;
- Any materially significant effluent or pollution problems;
- Any material relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue which involves possible public or product liability claims of a substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;

- Significant labour problems and their proposed solutions;
- Any significant development in the human resources and industrial relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement; and
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.

Committees of the Board

I. Audit Committee

Composition and Meetings

Table 3 shows the composition of the audit committee and the details of attendance. The audit committee met seven times during the year on 27th April, 2018, 08th June, 2018, 26th July, 2018, 25th October, 2018, 06th December, 2018, 25th January, 2019, and 27th March, 2019. All the members of the audit committee are financially literate and Mr. Davinder Singh Brar, the Chairman, has expertise in accounting and financial management. The Chairman attended the last annual general meeting to answer shareholders' queries.

Table 3: Composition as on 31st March, 2019 and Attendance

S. No.	Name	Category	Designation	No. of meetings attended in 2018 - 2019 (Total meetings held: 7)
1.	Mr. Davinder Singh Brar	Independent	Chairman	7
2.	Mr. Kenichi Ayukawa	Executive	Member	7
3.	Mr. R. P. Singh	Independent	Member	7
4.	Ms. Pallavi Shroff	Independent	Member	3
5.	Ms. Renu Sud Karnad	Independent	Member	6

The Company Secretary acts as the secretary to the audit committee. Wherever required, other Directors and members of the management are also invited.

Role

The role/terms of reference of the audit committee include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment, remuneration and terms of appointment of the auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditors' report before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the directors' responsibility statement to be included in the Board's Report in terms of clause (c) sub-section (3) of Section 134 of the Companies Act, 2013.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by the management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transactions.
    g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by

the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.

7. Review and monitor the auditors' independence and performance and effectiveness of the audit process.

8. Approval of transactions of the Company with related parties and any subsequent modification of such transactions.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets of the Company, wherever it is necessary.

11. Evaluation of internal financial controls and risk evaluation and mitigation systems.

12. Reviewing with the management the performance of statutory and internal auditors and adequacy of the internal control systems.

13. Reviewing the adequacy of the internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

14. Discussions with internal auditors of any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain and resolve any areas of concern.

17. Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

18. Review the functioning of the whistle blower mechanism.

19. Approval of appointment of the Chief Financial Officer after assessing the qualifications, experience, background, etc. of the candidate.

20. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investment.

21. Carrying out any other function as is mentioned in the charter of the audit committee.

II. Nomination and Remuneration Committee (NRC)

Composition and Meetings

Table 4 shows the composition of NRC and the details of attendance.

Table 4: Composition as on 31st March, 2019 and Attendance

S. No.	Name	Category	Designation	No. of meetings attended in 2018 – 2019 (Total meetings held: 3)
1.	Mr. Davinder Singh Brar	Independent	Chairman	3
2.	Mr. R.C. Bhargava	Non-Executive	Member	3
3.	Mr. Toshihiro Suzuki	Non-Executive	Member	3
4.	Ms. Renu Sud Karnad	Independent	Member	2

The Company Secretary acts as the secretary to NRC.

Terms of Reference

The role/terms of reference of NRC include the following:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal.

2. Formulate criteria for evaluation of the performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.

3. Formulate the criteria for determining qualification, positive attributes and independence of a Director and devising a policy on Board diversity.

4. Recommend to the Board a remuneration policy applicable to Directors, key managerial personnel and other employees.

5. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

7. Ensure that:
   a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

   b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

   c. Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

   d. Any other action as may be required under the Companies Act, 2013 and any amendment thereto, Listing Regulations and guidelines/ circular issued by the Securities and Exchange Board of India from time to time.

Performance Evaluation Criteria for Independent Directors & Remuneration Policy

For performance evaluation criteria for Independent Directors and details of remuneration policy, please refer to the Board's Report.

Remuneration of Directors

Table 5 gives details of the remuneration for the financial year ended 31st March, 2019. The Company did not advance any loans to any of its Directors in the year under review.

Table 5: Details of Remuneration for the Financial Year ended 31st March, 2019

S. No.	Name	Salary & Perquisites (in ₹)	Performance Linked Bonus* (in ₹)	Sitting Fees (in ₹)	Commission (in ₹)	Total (in ₹)
1.	Mr. R.C. Bhargava	-	-	900,000	12,200,000	13,100,000
2.	Mr. Kenichi Ayukawa	32,448,000	17,770,000	-	-	50,218,000
3.	Mr. Toshiaki Hasuike	-	-	500,000	-	500,000
4.	Mr. Kazuhiko Ayabe	-	-	500,000	-	500,000
5.	Mr. Kazunari Yamaguchi	21,516,000	11,660,000	-	-	33,176,000
6.	Mr. Kinji Saito	-	-	500,000	-	500,000
7.	Mr. Toshihiro Suzuki	-	-	550,000	-	550,000
8.	Mr. Osamu Suzuki	-	-	500,000	-	500,000
9.	Mr. Davinder Singh Brar	-	-	1,400,000	5,200,000	6,600,000
10.	Mr. Rajinder Pal Singh	-	-	1,350,000	4,200,000	5,550,000
11.	Ms. Pallavi Shroff	-	-	500,000	2,200,000	2,700,000
12.	Ms. Renu Sud Karnad	-	-	1,100,000	3,600,000	4,700,000

*The payment of performance linked bonus is subject to the approval of the Board of Directors.

Apart from the above, there were no pecuniary transactions between the Company and Directors.

The performance criteria for the purpose of payment of remuneration to the Directors are in accordance with the Nomination and Remuneration Policy. For details on performance evaluation, please refer to the Board's Report. There is no severance fee. The Company has not issued any stock options. No employee of the Company is related to any Director of the Company.

Remuneration of the Non-Executive Directors

Members of the Company had approved the payment of commission to Non-Executive Directors within the limit of one percent of the net profits of the Company and subject to the total payments not exceeding ₹ 30 million per annum. The criteria for the purpose of determination of the amounts of commission are in accordance with the Nomination and Remuneration Policy.

III. Corporate Social Responsibility (CSR) Committee

Composition and Meetings

Table 6 shows the composition of CSR Committee and the details of attendance.

Table 6: Composition as on 31st March, 2019 and Attendance

S. No.	Name	Category	Designation	No. of meetings attended in 2018-2019 (Total meetings held: 3)
1.	Mr. R.C. Bhargava	Non-Executive	Chairman	3
2.	Mr. Kenichi Ayukawa	Executive	Member	3
3.	Mr. R.P. Singh	Independent	Member	3

The Company Secretary acts as the secretary to the CSR Committee.

Terms of reference

1. To frame the CSR policy and its review from time-to-time.
2. To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
3. To ensure compliance with the law, rules and regulations governing the CSR and to periodically report to the Board of Directors.

IV. Risk Management Committee (RMC)

Composition and Meetings

Table 7 shows the composition and meetings of the RMC.

Table 7: Composition as on 31st March, 2019 and Attendance

S. No.	Name	Category	Designation	No. of meetings attended in 2018-2019 (Total meetings held:1)
1.	Mr. R.C. Bhargava	Non-Executive	Chairman	1
2.	Mr. Kenichi Ayukawa	Executive	Member	1
3.	Mr. Kazunari Yamaguchi	Executive	Member	1
4.	Mr. Ajay Seth	Chief Financial Officer	Member	1
5.	Mr. R. S. Kalsi	Sr. Executive Officer (Marketing & Sales)	Member	1

The Company Secretary acts as the secretary to the RMC and Vice President (Corporate Planning) coordinates its activities.

Roles and Responsibilities of the RMC

1. Preparation of a charter / policy on risk assessment and minimisation and mitigation process.
2. Preparation and review of a risk library.
3. Monitoring and reviewing risk management and mitigation plan.
4. Monitoring and reviewing cyber security.

The risk management department periodically organises reviews of the risk mitigation and implementation plans of risks with Chairman/top management.

Stakeholders' Relationship Committee (SRC)

Composition

Table 8 shows the composition of the SRC. Mr. R. C. Bhargava, the Chairman attended the last annual general meeting to address shareholders' queries.

Table 8: Composition as on 31st March, 2019 and Attendance

S. No.	Name	Category	Designation	No.of meetings attended in 2018-19 (Total meeting held:1)
1.	Mr. R.C. Bhargava	Non-Executive	Chairman	1
2.	Mr. Davinder Singh Brar	Independent	Member	1
3.	Mr. Kenichi Ayukawa	Executive	Member	1

The Company Secretary is the compliance officer and acts as the secretary to the SRC.

Objective

The scope of work of the SRC comprises of:

a. Resolving the grievances of the shareholders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;

b. Review of measures taken for effective exercise of voting rights by shareholders;

c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent; and

d. Review of the various measures and initiatives taken by Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Investor Grievance Redressal

During the year, 19 complaints were received and resolved. No transfer of shares was pending as on 31st March, 2019.

General Body Meetings

Table 9: Details of the last three AGMs of the Company

Financial Year	Location	Date	Time
2015-2016	Air Force Auditorium, Subroto Park, New Delhi	8th September, 2016	10:00 a.m.
2016-2017		5th September, 2017	10:00 a.m.
2017-2018		23rd August, 2018	10:00 a.m.

The Company passed three special resolutions in the annual general meeting held on 23rd August, 2018 i.e. amendment of the Articles of Association, appointment of Mr. R.C. Bhargava as Non-Executive Director and Mr. O Suzuki as Non-Executive Director of the Company. The special resolutions were not required to be put through postal ballot.

Competencies of the Board

The Board identified the following competencies as available with it which are required in the context of its business and sector for it to function effectively:

a. Knowledge of all aspects of the car industry including its operations, technology, global experience and exports;

b. Business management;

c. Legal/corporate governance;

d. Government rules/regulations; and

e. Knowledge of political/social environment.

Disclosures made by the management to the Board

During the year, there were no transactions of a material nature with the promoters, the Directors or the management, their subsidiaries or relatives, etc. that had any potential conflict with the interests of the Company. All disclosures related to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

Related Party Transactions

None of the transactions with any of the related parties was in conflict with the interests of the Company.

Code of Conduct for the Board of Directors and Senior Management Personnel

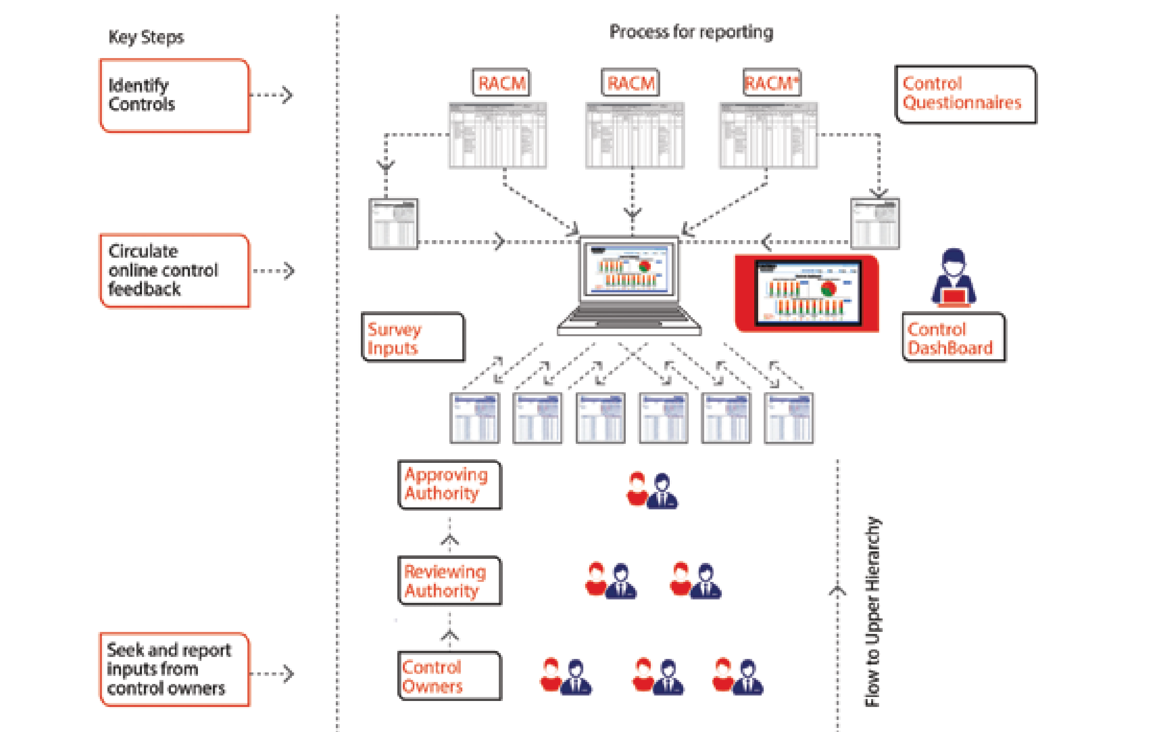
The Company has laid down a code of conduct for the members of the Board and identified senior management personnel of the Company.

The Company's code of conduct has been posted on its website www.marutisuzuki.com. The code of conduct was circulated to all the members of the Board and senior management personnel and they had affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2019. A declaration to this effect signed by the Managing Director & CEO of the Company forms part of this report as **Annexure - B**.

CEO/ CFO Certification

The Company has institutionalised the framework for CEO/CFO certification by establishing a transparent "controls self assessment" mechanism, thereby laying the foundation for development of the best corporate governance practices which are vital for a successful business. It is the Company's endeavor to attain the highest level of governance to enhance the stakeholders' value. To enable certification by CEO/ CFO for the financial year 2018-2019, key controls over financial reporting were identified and subjected to self-assessment by control owners in the form of completion of self-assessment questionnaires through a web based online tool called "Controls Manager". The self-assessments submitted by control owners were further reviewed and approved by their superiors and the results of the self-assessment process were presented to the auditors and the audit committee. The whole exercise was carried out in an objective manner to assess the effectiveness of internal financial controls including controls over financial reporting during the financial year 2018-19.

Enabling controls self-assessments through the 'Controls Manager'



* RACM: Risk & Control Matrix

As required under Regulation 17 of the Listing Regulations, a certificate duly signed by the Managing Director & CEO and the Chief Financial Officer was placed before the Board of Directors at its meeting held on 25th April, 2019.

Legal Compliance Reporting

The Board periodically reviews reports of compliance with all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances. The Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks are assigned to specified employees. The software enables planning and monitoring of all compliance activities across the Company.

Code for Prevention of Insider Trading Practices

The Company has instituted a comprehensive code of conduct in compliance with the SEBI regulations on prevention of insider trading. The code lays down guidelines, which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautions on the consequences of non-compliances.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Refer Board's Report for details.

Familiarization Programme/ Policy on Related Party Transactions/ Policy on Material Subsidiaries

The web links of familiarisation programmes for the Independent Directors, policy on related party transactions and policy on material subsidiaries are:

https://marutistoragenew.blob.core.windows.net/msilintiwebpdf/Familiarization_Programme.pdf

https://marutistoragenew.blob.core.windows.net/msilintiwebpdf/Policy_on_Related_Party_Transactions.pdf

https://marutistoragenew.blob.core.windows.net/msilintiwebpdf/Policy_on_Subsidiary_Companies.pdf

Whistle Blower Mechanism

The Company has in place an established and effective mechanism called the Whistle Blower Policy (Policy). The mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees. It protects employees wishing to raise a concern about serious irregularities, unethical behaviour, actual or suspected fraud within the Company. The Chairman of the audit committee is the ombudsperson and direct access has been provided to the employees to contact him through e-mail, post and telephone for reporting any matter. No person has been denied access to the Ombudsperson/Audit Committee.

Details of Non-Compliance

No penalties or strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to the capital market during the last three years.

Subsidiary Companies

A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

The audit committee of the Company reviews the financial statements of and investments made by unlisted subsidiary companies. The minutes of unlisted subsidiary companies are placed before the Board.

Shareholders' Information

Means of Communication

Financial results	Quarterly, half-yearly and annual financial results are published in 'The Hindu-Business Line', 'Financial Express' and in Hindi editions of 'Jansatta' and 'Hindustan'.
Monthly sales/production	Monthly sales and production figures are sent to stock exchanges as well as displayed on the Company's website www.marutisuzuki.com.
News releases	All official news releases are sent to stock exchanges as well as displayed on the Company's website www.marutisuzuki.com.
Website	The Company's website www.marutisuzuki.com contains a dedicated segment called 'Investors' where all information needed by members is available including ECS mandate, nomination form and annual report. The website, inter-alia, also displays information regarding presentation made to media/ analysts/ institutional investors, financials, press releases, stock information, shareholding patterns, details of unclaimed dividend, etc.
Annual report	In our endeavour to protect the environment, the Company sent the annual report for the year 2017-2018 through e-mails to a large number of members who had registered their e-mail ids with either depository participant (DP) or the Registrar & Transfer Agent (RTA) or the Company. This also helped the Company in saving a huge cost towards printing and dispatch. For those members whose e-mail ids were not registered, the annual report in physical mode was sent by post to their registered addresses.
BSE Listing Centre & NEAPS (NSE Electronic Application Processing System)	All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through BSE Listing Centre and NEAPS.
SCORES (SEBI Complaints Redressal System)	The Company supports SCORES by using it as a platform for communication between SEBI and the Company.

Exclusive e-mail id's for investors	Following e-mail ids have been exclusively dedicated for the investors' queries: investor@maruti.co.in einward.ris@karvy.com Queries relating to annual report may be sent to investor@maruti.co.in and queries relating to transfer of shares and splitting/ consolidation / remat of shares, payment of dividend, etc. may be sent to einward.ris@karvy.com
Request to members	The members of the Company who are holding shares in demat form are requested to kindly update their e-mail ids with their depository participants and those who are holding shares in physical forms kindly get it registered with Karvy Fintech Pvt. Ltd., the Registrar and Share Transfer Agent of the Company.

Additional Information

Annual General Meeting

Date: 27th August, 2019
Day: Tuesday
Time: 10:00 a.m.
Venue: Air Force Auditorium, Subroto Park, New Delhi – 110 010

Financial Year

Financial Year: 1st April to 31st March

For the year ending 31st March 2020, results will be announced:

By the end of July 2019: First quarter results

By the end of October 2019: Second quarter results

By the end of January 2020: Third quarter results

By the end of April 2020: Fourth quarter and annual results

Book Closure

The period of book closure is from 17th August, 2019 to 27th August, 2019 (both days inclusive).

Dividend Payment

Subject to the approval of the members in the annual general meeting, a dividend of ₹ 80 per equity share (face value ₹ 5 per equity share) for the year 2018 - 2019 will be paid on or after 30th August, 2019, to those whose names appear in the register of members / beneficial owners at the close of business hours on 16th August, 2019.

Reminders were sent to the members requesting them to claim unclaimed dividend for the year 2010-11. Some members claimed their unclaimed dividends. The payments were made directly to their bank accounts wherever the particulars were available, under intimation to those entitled. The balance remaining unclaimed was transferred to the Investor Education & Protection Fund (IEPF) within the stipulated time.

Audit Fees

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/entity of which statutory auditor is a part is ₹ 33.62 million for the financial year 2018-19.

Listing on Stock Exchanges

The equity shares of the Company are listed on BSE, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 and NSE, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051. The annual listing fee for the year 2019-20 has been paid to both the stock exchanges. **Table 10** lists the Company's stock exchange codes. The Company will pay the annual custodial fee for the year 2019-20 to both the depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on receipt of the invoices.

Table 10: Stock Code

BSE Limited	532500
National Stock Exchange of India Limited	MARUTI
ISIN	INE585B01010

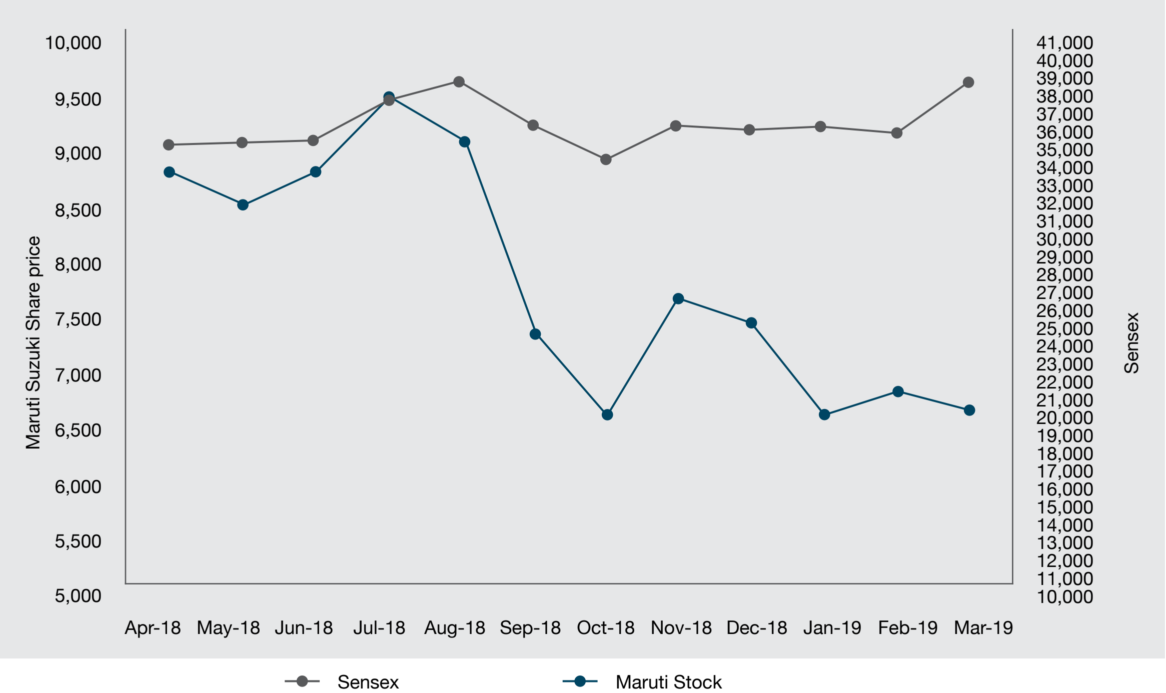
Stock Market Data

Table 11 gives the monthly high and low prices of the Company's equity shares on BSE and NSE for the year 2018-19. **Chart A** plots the movement of the Company's share prices on BSE vis-a-vis BSE Sensex for the year 2018-19.

Table 11: Monthly High & Low Quotation of the Company's Equity Share

Month	National Stock Exchange		Bombay Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr 18	9,350	8,715	9,345	8,721
May 18	8,998	8,256	8,994	8,260
Jun 18	9,095	8,590	9,098	8,591
Jul 18	9,929	8,750	9,923	8,760
Aug 18	9,588	9,012	9,590	9,015
Sept 18	9,119	7,293	9,110	7,301
Oct 18	7,485	6,500	7,500	6,502
Nov 18	7,727	6,600	7,719	6,601
Dec 18	7,950	7,170	7,929	7,162
Jan 19	7,529	6,318	7,525	6,324
Feb 19	7,320	6,653	7,314	6,655
Mar 19	7,232	6,480	7,229	6,484

Chart A



Registrar and Transfer Agent

During the year, the name of the RTA of the Company changed from Karvy Computershare Pvt. Ltd. to Karvy Fintech Private Limited due to the amalgamation of Karvy Computershare Pvt. Ltd. with Karvy Fintech Private Limited. The details of the RTA are given hereunder:

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District, Nanakramguda
Hyderabad – 500 032
Phone No.: 040- 67162222
Fax No. : 040-23001153
Toll Free: 1800-345-4001
Mail Id: einward.ris@karvy.com
Website: www.karvyfintech.com

Share Transfer System

The Company's shares are transferred in dematerialised form and are traded on the stock exchanges compulsorily in the demat mode. Any request for rematerialisation and / or transfer of shares in physical mode is also attended within the stipulated time.

Shareholding Pattern

Table 12 lists the distribution schedule of equity shares of the Company as on 31st March, 2019.

Table 12: Distribution Schedule as on 31st March , 2019

S. No.	Category	No. of shareholders	%	No. of shares	%
1.	Upto 1 - 5,000	455,823	99.46	12,502,162	4.14
2.	5,001 - 10,000	405	0.09	1,160,260	0.38
3.	10,001 - 20,000	221	0.05	1,104,946	0.37
4.	20,001 - 30,000	124	0.03	873,522	0.29
5.	30,001 - 40,000	85	0.02	769,348	0.25
6.	40,001 - 50,000	281	0.06	4,081,026	1.35
7.	50,001 - 100,000	731	0.16	1,042,974	0.35
8.	100,001 & above	625	0.14	280,545,822	92.87
	Total	**458,295**	**100.00**	**302,080,060**	**100.00**

Dematerialisation of Shares and Liquidity

As on 31st March, 2019, 99.999% of the Company's total paid up equity capital representing 302,076,610 equity shares was held in dematerialised form. The balance 0.001% equity representing 3,450 equity shares was held in physical form. Suzuki Motor Corporation, the promoter of the Company holds 169,788,440 shares in dematerialised form.

Pursuant to Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 2,154 shares in respect of which dividend had not been paid or claimed for seven consecutive years or more were transferred in favour of IEPF Authority.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Please refer to **Annexure - C** and Management Discussion & Analysis for details.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity

The Company had no outstanding GDRs / ADRs / warrants or any convertible instruments.

Details of Public Funding Obtained in the Last Three Years

The Company has not obtained any public funding in the last three years.

Plant Location

The Company has five plants, two located in Palam Gurugram Road, Gurugram, Haryana and three located at Manesar Industrial Town, Gurugram, Haryana.

Adoption of Non-Mandatory Requirements

The Chairman's office with the required facilities is maintained by the Company at its expense, for use by its Non-Executive Chairman. The Company has appointed separate persons to the post of Chairperson and Managing Director.

Other Disclosures

The Company has complied with the Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

Address for correspondence

Investors may please contact for queries related to:

I. Shares held in dematerialised form

Their **Depository Participant(s)**

and/or

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District, Nanakramguda
Hyderabad – 500 032
Phone No.: 040-67162222
Fax No. : 040-23001153
Toll Free: 1800-345-4001
Mail Id: einward.ris@karvy.com
Website: www.karvyfintech.com

II. Shares Held in Physical form

Karvy Fintech Private Limited
(at the address given above)

or

The Company at the following address:
Maruti Suzuki India Limited
1, Nelson Mandela Road, Vasant Kunj
New Delhi-110 070
Phone No.: (+91)-11-4678 1000
Email Id: investor@maruti.co.in
Website: www.marutisuzuki.com

Annexure - A

Certificate

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Maruti Suzuki India Limited
(CIN: L34103DL1981PLC011375)
Plot No.1, Nelson Mandela Road,
Vasant Kunj, New Delhi-110070

We have examined the relevant registers, records, forms and returns maintained / filed by **Maruti Suzuki India Limited (CIN : L34103DL1981PLC011375)** having its Registered Office at **Plot No.1, Nelson Mandela Road, Vasant Kunj, New Delhi-110070** ("hereinafter referred to as **the Company"**) and notices and disclosures received from the Directors of the Company and produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015.

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of the Company as on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RMG & Associates**
Company Secretaries

CS Manish Gupta
Partner
FCS No.: 5123; C.P. No.: 4095

Place: New Delhi
Date: 25th April, 2019

Annexure - B

Declaration of the Managing Director & CEO

This is to certify that the Company had laid down code of conduct for all the board members and senior management personnel of the Company and the same is uploaded on its website www.marutisuzuki.com.

Further, certified that the members of the Board of Directors and senior management personnel have affirmed the compliance with the code applicable to them during the year ended 31st March, 2019.

Kenichi Ayukawa
Managing Director & CEO

25th April, 2019
New Delhi

Annexure – C

Commodity price risk or foreign exchange risk and hedging activities

a. Risk Management Policy: The Company has a commodities price risk management and hedge policy. The policy is attached herewith as **Annexure -1**.

b. Total exposure: ₹ 11,376 million.

c. Exposure to various commodities:

Commodity	Exposure in ₹ towards the particular commodity (million)	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Copper (MT)	4,713	10,115	-	-	52%	-	52%
Lead (MT)	1,873	10,524	-	-	47%	-	47%
Palladium (Toz)	2,508	36,049	-	-	24%	-	24%
Platinum (Toz)	2,282	35,268	-	-	27%	-	27%

c. Price movement of commodities are quite volatile in nature and the Company hedges commodity prices (procured directly or indirectly) to mitigate the risk and protect budgetary level, thus ensuring stable financial performance.

Annexure - 1

Commodities Price Risk Management and Hedge Policy

1.0 Background

Maruti Suzuki India Limited (MSIL) for producing cars needs to purchase large volumes of basic commodities like steel, aluminium directly and indirectly and consume high quantities of copper and lead being used by its vendors for supplying components. Apart from these basic metals, significant quantities of Precious Group Metals like Platinum, Palladium and Rhodium as well as other commodities like plastics, High speed diesel (HSD) etc., are consumed.

Due to high volume usage of the above-mentioned commodities in manufacturing cars and very high price volatility, which is being witnessed in last couple of years, Company is exposed to severe commodity price risk directly as well as indirectly. These commodities are either being purchased from suppliers directly at mutually negotiated rates or the price is settled with suppliers, who manufacture these components for MSIL using these commodities, at monthly / quarterly settled prices based on prevalent market trends.

Since these commodities and components are not purchased under a fixed price contract, the cost of the raw material input is variable.

2.0 Commodities Price Risk Management Objective and Strategies

The commodities price risk management objective of the Company is to hedge the risk of changes in the commodity prices procured directly or indirectly (i.e., procured by component supplier). Since the fluctuations in commodity prices have severe impact on financials of the Company, hedging provides stability to the financial performance by estimating the amount of future cash flows and reducing volatility.

The Company shall follow a consistent policy of mitigating the commodities price risk by undertaking following strategies:

I. **Bundling of commodity sourcing**
Under this strategy, the Company shall negotiate with suppliers bundling its in house requirement with its vendor requirement to get a better price for different commodities based on large consolidated volume.

II. **Bundling of Suzuki Motor Corporation's (SMC) subsidiaries sourcing**
This strategy allows the Company to bundle the commodity sourcing for the SMC subsidiaries present in India in order to get better pricing for all the SMC group companies in India.

III. Commodity Grade Standardisation & Substitution

The Company shall undertake grade standardisation across various categories of commodities to the extent possible like in the case of steel and plastic products so as to optimise the costs.

The Company shall also change raw material grades to cheaper grades without affecting product performance e.g. in the case of steel from IF to EDD grade.

IV. Yield Improvement

The Company shall continuously undertake yield improvement activities across various commodities like in the case of plastic products and electrical components, etc., done so far.

V. Commodity price risk hedging

MSIL shall follow a consistent policy of mitigating commodities price risk by entering into appropriate hedging instruments as considered necessary from time to time. Depending on the future outlook on commodity prices, the Company may keep the exposures un-hedged or hedge only a part of the total exposure.

The Company shall not enter into commodity hedging transactions for speculative purposes i.e. without any actual/ anticipated underlying exposure.

The Company shall strictly observe the rules and regulations laid down by RBI for undertaking the commodities price risk hedging.

3.0 Commodities Permitted for Hedging

The Company may hedge commodities price risk on all the commodities being purchased directly or indirectly e.g. Aluminum, Copper, Lead, Platinum, Rhodium, Palladium, Steel, Plastic, etc., wherever possible and permissible under the applicable rules and regulations to enable fixing the sourcing costs.

Hedging for commodities allowed by Reserve Bank of India (RBI) from time to time (like Aluminum, Copper, Lead, Nickel and Zinc listed on a recognised stock exchange currently allowed) may be done through Authorised Dealer Category- 1 banks specifically authorised by the RBI on a recognised stock exchange.

For hedging of (a) above commodities (i.e., the commodities allowed for hedging through a recognised stock exchange) through Over the Counter (OTC) Market or (b) the commodities, which are not permitted by RBI, specific approval of RBI shall be taken before undertaking any hedge for the same.

4.0 Permitted Financial Instruments

Exchange traded instruments:

- Futures

Over the Counter (OTC) instruments:

- Forward contracts
- Range forward Options

5.0 Hedging Ratio

A hedging ratio is defined as the total amount hedged divided by the sum of booked and budgeted/projected exposures. The hedge ratio for the Company shall normally be subject to following limits:

Exposure	Hedge Period	Maximum permissible hedge ratio
Budgeted exposures	0-12 months	75%
Projected/ Estimated exposures	12-24 months	50%

However, depending on the commodity price outlook and views, the Company may exceed the above hedge ratio or the hedge period beyond 24 months.

Auditor's Certificate

Regarding Compliance of Conditions of Corporate Governance

To
The Members of
Maruti Suzuki India Limited

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter reference no. ND/JA/456 dated 05th September, 2018.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Maruti Suzuki India Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2019.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

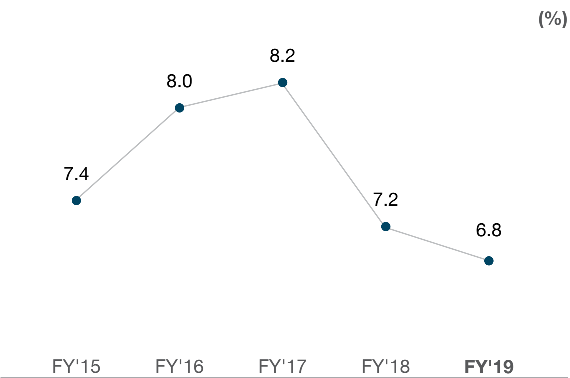
Place: New Delhi
Date: 25th April, 2019

Management Discussion and Analysis

Overview

The year 2018-19 flagged off with promising economic outlook supported by benign inflation, favourable interest rates, close to normal rainfall forecast and strong global economic growth. In Q1, the Indian economy registered a robust growth of 8% which gave an indication of economic activities returning to near normal post the GST roll-out. However, the momentum gained at the start didn't sustain during the rest of the year and the economy faced major challenges leading to a slowdown in domestic consumption in the later part of the year. The pace of global economy also slowed down and couldn't provide meaningful support to the Indian economy. The Government and the RBI undertook a slew of measures to provide the necessary stimulus to the economy.

India's GDP Growth

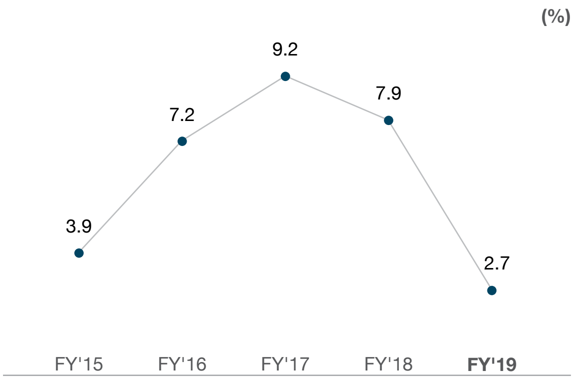


Source: CSO

India's passenger vehicle market grew by 2.7% in 2018-19 against 7.9% in 2017-18. This is the lowest annual industry growth recorded in previous seven years. Among the three broad industry segments, the utility vehicles segment that accounts for about 28% of industry sales, grew by 2.1%. The other two segments, passenger cars and vans, grew by 2.0% and 13.1% respectively. The urban markets witnessed weak demand while the non-urban markets saw relatively better growth. The demand for diesel models continued its weakening trend, and its industry share declined from 40% to 36%.

The Company posted a volume growth of 5.3% in passenger vehicles in the domestic market (against the industry growth of 2.7%). Including the Light Commercial Vehicle (LCV) segment, the Company's domestic sales growth stood at 6.1%.

Domestic Passenger Vehicle Industry Growth



Source: SIAM

With the expectation of better economic growth, the Company planned for a double-digit growth for the financial year 2018-19. Initial few months progressed as per the Company's expectation. The Company was all set to enter the festive season by building a shade higher inventory based on the previous years' experience of stock out of some models.

However, in the month of August, just before the start of the festival season in Kerala, a natural calamity struck. Kerala is a big market for the Company. Its share in all India sales goes higher during the festival season. The unprecedented floods caused an opportunity loss for the Company. The vehicles produced for this market had to be diverted to other areas leading to more than planned inventory in certain parts of India.

In the following month, various unfavourable factors struck simultaneously. Third party multi-year insurance policy cover for new vehicles, sharp INR depreciation, all-time high fuel prices in India affected the consumer sentiments. All this happened at the onset of main festivals which are celebrated across the country leading to a slump in demand during the festival season. Dealers were carrying high inventory as the month of December was approaching when low inventory levels are desirable. The Company had to curtail production to avoid further inventory build-up, while supporting its dealers to clear the high inventory through increased sales promotion. During the third quarter, retail sales were ~90,000 more than the wholesale.

The situation did not improve in the last quarter due to factors such as terrorist strike in Jammu & Kashmir, heavy snowfall in hilly states like Himachal Pradesh, etc.

Contrary to expectations, sales were also impacted in export markets due to country specific reasons.

The year also witnessed adverse commodity prices and foreign exchange movement. Due to weak market situation, the Company could not take adequate price increases to neutralise the increase in input costs.

Higher expenditure on marketing and sales promotions did not generate proportionate volume increase as demand remained low, impacting the profit margins.

However, the Company could partially off-set the impact of unfavourable factors by stepping up cost reduction measures.

During the year, the business partnership between Suzuki Motor Corporation and Toyota Motor Corporation (TMC), Japan started taking shape.

The Company is likely to benefit immensely from this partnership by gaining access to the new-age technologies and from the mutual supply of vehicles.

The Company has always endeavoured to provide clean technology in its products. India is at a nascent stage of using clean automotive technologies and the Company aims to be a front-runner in providing clean technology to the mass market. Using hybrid technology is the first step in this direction.

This partnership with TMC is helping the Company to gain access to the hybrid technology. If the Company were to develop this technology on its own, it would take considerable time and significant investments. Also, many emission and safety related regulations are coming in the near future requiring more resources. Sourcing hybrid technology from Toyota could free-up the Company resources to devote them on other priorities.

Combining the global volume of Suzuki and Toyota will provide a significant scale and make technology more affordable specially for a price-sensitive market like India.

This partnership is also bringing opportunity to increase sales volume of the Company's models by selling through Toyota Kirloskar Motor India. The Company is offering Baleno, Vitara Brezza, Ciaz and Ertiga to Toyota. Automobile industry is highly capital intensive and requires lots of investments in products, technologies and facilities. For realising adequate return on investments, increasing volume per model and per platform is the key. This arrangement will bring in incremental volume for the Company and help maximise volume per model/platform.

Domestic Sales

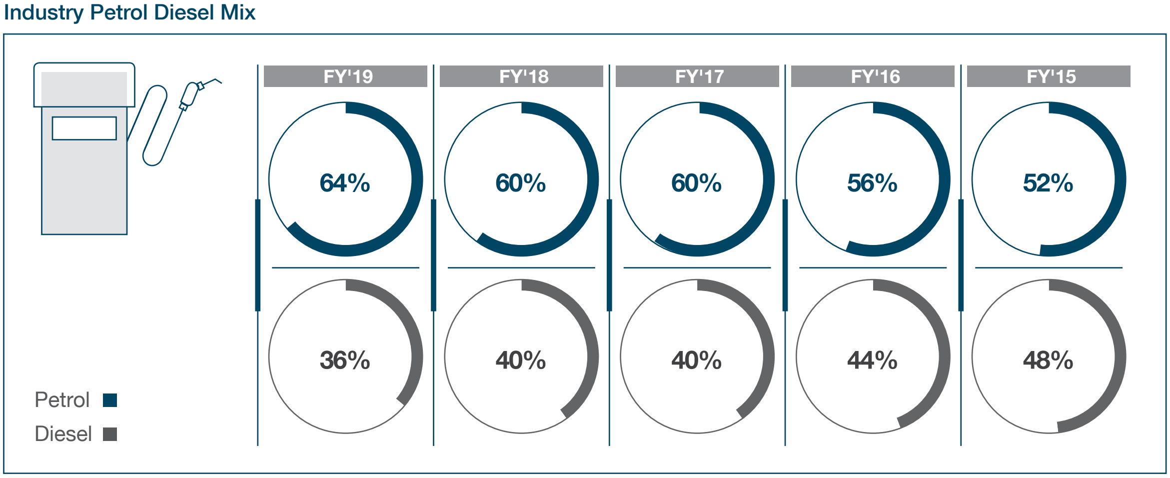
Passenger Vehicles

The Company strengthened its leadership position across all the three industry segments - passenger cars, utility vehicles and vans. The success of models launched in the past along with the positive response for all new model launches i.e. Ertiga and WagonR helped it enhance its sales performance.

For the second year in a row, five best-selling models in India came from the Company.

The shift in consumer demand towards petrol segment is now even more evident with this segment's contribution to the passenger vehicle sales going up to 64% during the year. For the Company, the contribution of petrol segment in the domestic passenger vehicle sales, during the year, increased to 74.5%, an increase of 3.4%.

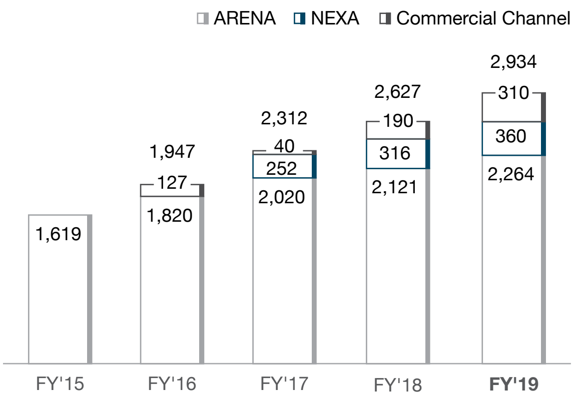
Industry Petrol Diesel Mix



Source: SIAM

Amid weak market demand with fewer walk-in customers to the showrooms, the approach of reaching out to customers plays an important role. With an extensive know-how of varied geographies along with the support from all the stakeholders, the Company conducted relevant events across urban and non-urban markets. This significantly helped identify the potential customers.

MSIL Sales Network



Source: Company

Light Commercial Vehicle (LCV)

The Company entered the LCV segment in 2016-17 and in a very short span of time, its product Super Carry sold 23,874 units, registering a growth of 138% compared with that of the previous year. One of the fastest network expansion to 310 outlets spread across 230 cities is a testimony to the good market acceptance for the product.

New thrust on pre-owned car sales

To make pre-owned car buying experience more appealing, the Company re-launched True Value with a new brand identity. To enable the new customer drive the pre-owned car with confidence, special emphasis is laid on buying and selling of good quality cars that are refurbished and certified by authorised True Value dealers. The consumers can select from an array of available cars through a user-friendly mobile application and visit the nearest outlet to conclude the final purchase. There are now a total of 247 independent True Value outlets across 150 cities.

Spare Parts and Accessories

Since inception, the Company has laid special emphasis on the ease of availability of genuine parts and accessories to its valuable customers. With the ever-increasing product portfolio, the Company manages the distribution of over 70,000 unique parts across the country. Every year, the Company augments its forecasting capabilities to achieve optimum inventory levels. The commencement of Siliguri warehouse in the East India and the expansion of Bengaluru warehouse operations will help the Company better serve its customers.

During the year, the Company extended round-the-clock support to customer vehicles affected by the unfortunate floods in Kerala. Meticulous planning along with all stakeholders helped us enhance our response time during crisis.

Exports

During the year, many export markets faced economic and political uncertainties leading to a 13.7% decline in exports of the Company. Particularly, an East Asian country, a large export market for the Company put a sudden embargo on the import of cars. Shipments to some Latin American markets suffered due to the prevailing political environment. Restrictions on retail financing and market skew towards used cars continued to pose pricing challenge in some of the African and SAARC countries. The Company arrested the decline to a certain extent by enhancing exports to other markets and improving its service processes in some key markets.

Service

The Company's service network serves around 18.8 million customers annually. All efforts of the Company are focused around:

Accessibility

During the year, 211 dealer workshops were added to the network, the highest ever in a single year. The Company's service network now has 3,614 service workshops covering 1,784 cities. Additionally, 1,490 Maruti Mobile Support vehicles (MMS) are providing doorstep service to ~80,000 customers per month. Quick Response Team (QRT) aims at providing emergency road assistance sought by customers in the event of vehicle breakdown. With presence in 250 cities, it has provided assistance to over 135,000 customers till date.

Human capital development

Service quality depends on the skill level of workshop technicians. Relevant training is imparted to them through Suzuki Service Qualification System (SSQS) based on the global standards defined by Suzuki Group. During the year, the Company increased its training infrastructure ten-fold to 170 centers.

Digitalisation

Digitalisation is helping enhance customer satisfaction. The introduction of Online Customer Approval System (OCAS) is one such initiative, wherein the customer is able to approve or reject the additional jobs recommended by the service advisor.

Operations

The Company firmly believes that sustainability of the business depends on manufacturing defect-free and safer products. To achieve this, deployment of advanced technology along with upskilling of man-power is essential specially at a time when the market demand is witnessing considerable fluctuations both in terms of overall volume and choice of models. To meet this challenge, the manufacturing operations need to be flexible so that the production can be adjusted according to the demand scenario.

The Company has increased the use of digital technologies in manufacturing processes, preventive maintenance of machines and installation of new manufacturing lines. This has led to significant improvements in eliminating defects and also in cost reduction. Simultaneously, skills of human capital are being upgraded to effectively manage the increased deployment of technology, sustain high operational efficiency and quality.

Recently, the Company introduced a system that checks the weld quality of almost all the welding spots in a vehicle. When it comes to ensuring uninterrupted operations, the Company implemented a self-diagnostics system. This system pre-empts a possible machine breakdown, thereby aiding preventive maintenance measures for improved life and reduced downtime of machines. During the commissioning of new manufacturing lines, the Company uses Digital Mock Up (DMU) checks in which the manufacturability is checked with respect to ergonomics for enhanced comfort of workmen.

Conservation of Natural Resources and Environment Protection

The principle of 3R (Reduce, Reuse and Recycle) is a way of life for the Company. 'Smaller, fewer, shorter, lighter and neater' is the guiding principle based on which the Company's operating processes are built. Be it continuous enhancement of efficiency in the operations or development of highly fuel-efficient cars, the Company's commitment to preserve resources is persistently reinforced.

In a bid to conserve natural resources used in energy generation, the Company uses heat recovery steam generator. The Company is already using solar power for lighting its manufacturing plants and office areas. Now, the Company has also started using solar power in manufacturing of cars. During the year, the Company commissioned a 312 kWp solar power plant at its Manesar facility. With this addition, the total solar power used in manufacturing of cars now stands at 1.3 MW. This has further strengthened Company's power generation mix in favour of renewable energy.

Towards environment protection, the Company not only conforms to laws and regulations but also strives to stay ahead. During the year, the Company voluntarily put in place a globally recognised mechanism for controlling hazardous substances in its vehicles. With the launch of new WagonR, the Company has adopted the globally acclaimed International Material Data Systems (IMDS) tool in controlling the use of Substance of Concern (SoC). Since long, the Company has done away with usage of SoC, and now with IMDS, it will be able to quantify the recoverable and recyclable materials in its vehicles. The new WagonR is minimum 95% recoverable and 85% recyclable, ahead of regulations in India. Besides commitment to environment protection, this initiative reinforces the Company's firm belief in the 3R practices.

The Company's Sustainability Report elaborates on the initiatives undertaken in this area.

Safety

The Company's vision on Safety is 'Zero Incident - Zero Human Injury and Zero Fire'. A 3-tier committee under direct supervision of the MD & CEO is making continual progress towards the improvement of safety systems and compliance to achieve the Company's safety vision. With every near-miss or incident occurrence, root-cause analysis is carried out and accordingly theme-based safety improvements are suggested.

Quality

With increasing use of technologies in the vehicle, scale of operations, product variants and customer expectation about product quality, the complexity of manufacturing components and vehicles is increasing. This makes Quality a continuous journey. In order to deliver defect free products, the Company not only focuses on excellence in its in-house production processes but also actively supports suppliers in manufacturing defect free components. Among the many thrust areas to achieve world class quality, following areas remain in sharp focus:

(a) Strengthening Quality Culture across Supply Chain

1. **Reinforcement of zero-defect methodology - going beyond six sigma**
   The Company believes that for the utmost customer satisfaction, not a single product should have any defect. To achieve this, the Company has taken an initiative to establish zero defect lines at suppliers' works. During the year, a series of sensitisation workshops by the Company helped workmen at 518 supplier plants enhance their knowledge and implement best practices to achieve zero defect production lines.

2. **Strengthening quality management systems - adherence to rules**
   Adherence to defined systems and processes by the suppliers continues to be the key focus area and the Company has moved from monitoring its suppliers to now helping them enhance their system compliance capabilities.

3. **Recurrence prevention - reinforcing the culture of identification of root cause**
   The Company carefully reviews and assesses market and dealer feedback. Prompt and corrective actions are undertaken to prevent

recurrence of all issues. The Company has established a defect-recurrence-prevention department to institutionalise the learning and take necessary countermeasures.

(b) Capability Development

1. The Company is promoting the development of relevant workmen skills and capabilities through the setting up of DOJO training centre at suppliers' works. The workmen are required to mandatorily go through off-line training programs in the centre and they are introduced to the shop floor only after acquiring the required skills. The training is provided in simulated production conditions to equip workmen to do a high-quality job on the production lines.

2. Tool and Die maintenance capability development

   The Company has been focusing on improving Tool and Die maintenance capabilities of plastics and sheet metal suppliers for the last three years. It has created standard maintenance manuals containing the best practices for upkeep of tools, dies and jigs with periodic assessment done to check their condition and ensure quality.

(c) Managing Scale and Complexity

1. Quality defects start getting evident when sudden production ramp-up of a new model component occurs at the time of mass production. To prevent the defects, the Company adopted a process called Peak Production Verification Trial (PPVT). In this process, on a trial basis, the production is carried out of a new model component at full scale to see the kind of quality issues that can surface when mass production starts. Since there is a sufficient time gap between the trial production and the mass production, the suppliers get time to take countermeasures. Earlier, PPVT was done for selected components. Now it has been extended to all the components.

2. Consolidation of Tier-II Suppliers

   Adequate scale helps suppliers to invest in enablers which help produce consistent quality. Tier-II suppliers have limitation to raise their scale and hence fall short in meeting the desired quality levels. Tier-II supplier consolidation is one of the ways to provide sufficient scale and achieve consistency in quality.

Human Resource

Our Philosophy

The Company always strives to promote a safe, healthy and happy workplace. It creates and instills a culture of partnership attitude among its employees.

The biggest strength of the Company lies in its healthy combination of top-down and bottom-up approach in decision making process towards empowering the employees. A major thrust is laid on the constant two-way communication, free flow of thoughts and mutual growth. Led by the MD & CEO, and enunciated across levels, communication has led to a marked change in the labour-management relations in recent years. A calendar for communication ensures two-way communication with employees across various levels.

The unique strength of Employee-Employer Connect

The Company is a beneficiary of the unique strength it enjoys with its human resources. During the year, various channels, both digital and non-digital were improvised to interact better with the employees. A lot of thrust was given on digitisation of HR processes which led to enhanced employee experience owing to improved and faster responsiveness. Employees in turn, raise queries, give feedback and participate in different policy and procedural decisions on these platforms.

Along with industry-leading benefits, the Company since 1989 has launched housing schemes to support workmen in their efforts to own a house. The Company's relentless efforts have benefitted a large part of workforce. In addition, under the Government's recent flagship housing scheme program Deen Dayal Awas Yojana and Pradhan Mantri Awas Yojana, the Company has facilitated the entire process right from selecting land, negotiating price and appointing real estate firm for ensuring quality and timely construction of houses and also providing housing loan subsidies.

In April 2018, the Company's Board also gave its in-principle approval for establishing an Employee Welfare Fund. Extensive stakeholder consultations were carried during the year to come up with suitable schemes to further promote well-being of employees including social security measures such as post-retirement medical benefits among others. Every year, the Company will contribute 1% of the Profit-after-Tax of the previous year to the fund.

During the year, the Company and its three workmen-unions concluded a three year wage agreement in a congenial manner, and to the mutual satisfaction of all.

The Company takes care of its employees' health. Periodic medical checkups, regular health talks from the experts in the field of medicine are organised. To create the awareness on health and promote well-being of the employees the Company not only encourages participation in various sporting events held in the country but also organises marathons exclusively for its employees. This initiative greatly helps the Company to engage positively with its employees.

For larger connect and welfare of the families of employees, the Company has a calendar of events which includes expert career counselling for employees' children, a gala family day, plant visits for family members and attractive rewards for innovators. In engaging the families of employees in communication, an in-house magazine and MD & CEO's messages on special occasions play an important role.

To address any grievance of its workmen including temporary workforce, the Company has a well-structured grievance redressal mechanism. Periodic grievance redressal camps are organised to hear the issues of workmen, if any, and take actions accordingly.

Talent Acquisition and People Development – Making the Workforce Future Ready

As the pace of business accelerates amidst an uncertain environment for the automobile industry led by technology and regulatory disruptions, the ability to react fast to changes and plan human capital needs well in advance is key to competitive advantage.

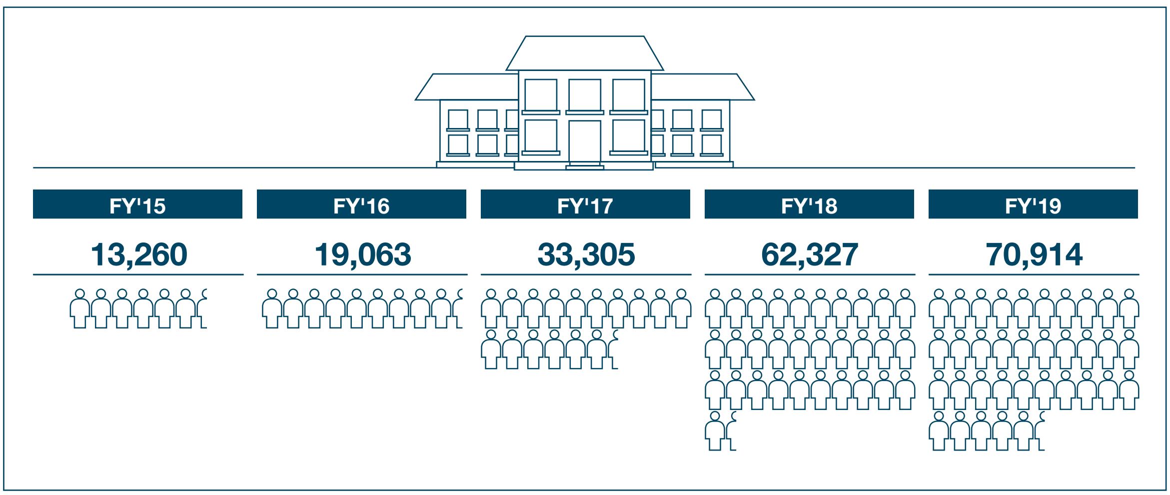
In talent acquisition, the objective is to improve quality and consistency of hiring while making the process efficient, robust and scalable at the same time. Major thrust has been laid on diversification of sourcing channels by enhancing usage of social networking platforms for recruitment. This helps in reaching out to a wider talent pool and also reduces hiring cost.

During the year, a new digital recruitment system has been implemented to make the entire process more efficient, transparent and metrics driven. Special emphasis was laid on improving the candidate experience through various initiatives such as chat-bots, video interviews and adopting intuitive and user-friendly processes.

The Company is an equal opportunity employer promoting gender diversity and equality at the workplace. During the year under review, the Company celebrated 'Gender Diversity and Inclusion' week thereby emphasising its importance among the employees.

The Company has a structured training, skill development and higher education program for career enhancement and personal growth for each employee. For this, the Company has tied up with some reputed institutions. For workmen on the shop-floor, the Company provides opportunities to pursue a diploma engineering course at these institutions. Those with a diploma engineer qualification can pursue a degree in engineering. The Company encourages employees by providing funds, time and better career opportunities to those pursuing a higher qualification. During the year, 292 workmen and diploma engineer employees benefited from higher education programs.

Number of people upskilled by Training Academy



Source: Company

An in-house educational and training infrastructure, Maruti Suzuki Training Academy (MSTA) plays a pivotal role in facilitating the identification of skill gaps and preparing people for future business needs and challenges. The scope of training is extended to all relevant business partners as well. The investments in capacity and capability building of dealers, suppliers and transporter personnel go a long way in enhancing the quality of overall business and customer experience.

During the year, a total of 70,914 people benefited from varied training initiatives of the Company.

Horizontal Implementation of Best HR Practices at Supplier Plants

The Company recognises the importance of sound human resource (HR) and industrial Labour relations (IR) practices to promote a safe and healthy work environment throughout the supply chain. The human capital development of suppliers can only happen if the top management of the supplier feels the need to invest in the same. The Company conducted over 300 workshops to sensitise the top management on the need for human capital development and also shared the best practices. Subsequently, onsite assessments of their plants are conducted to evaluate and identify areas of improvements.

Engineering, Research and Development

Since inception, the Company has internalised a customer-centric approach both in its strategy and organisational culture. Indian customers are very demanding and desire features of higher price segment cars at lower price bracket cars. To succeed in such a market, there is a necessity to design cost engineered products that not only meet customer expectations but also create new product and customer segments that help in garnering larger share of the market and better profitability for the Company. In all this, the role of R&D becomes crucial.

In addition to rising customer expectations with regard to vehicle styling, features and technologies, regulations are changing rapidly. Both these factors are leading to significant increase in the intensity of R&D efforts. Moreover, as the Indian market is expected to expand in the near future, more number of products will be required at a faster pace further burdening the R&D. The Company has been able to remain ahead of the customer expectations and regulatory requirements and maintained its market leadership position in the Industry. This was made possible with strong support and commitment of R&D centre of Suzuki Motor Corporation Japan which has several decades of experience in designing products and technologies. The Company's in-house R&D function which is gaining design capability from SMC Japan, is complementing it in development efforts for some of the new models and also gaining capability to design vehicles on its own by obtaining core technologies and new age technologies from SMC. It is important to note that acquiring R&D capability to design a vehicle independently requires significant time and the Company continues to depend on SMC for a larger part of product design and development work.

Key highlights of R&D efforts during FY'19 are discussed in detail in Annexure D of the Board' Report.

Cost Optimisation

The year was marked by adverse commodity price and foreign exchange rates impacting the profitability of the Company. In order to reduce the adverse impact of rise in input costs, several cost reduction programs continued throughout the year. These include localisation of direct and indirect imports, value engineering and value analysis, yield improvement and sharing of scale benefit with suppliers.

The Company is also working with Indian steel makers for the development of local high tensile and galvanised steel material to improve indigenisation.

The Company has foreign exchange exposure on account of import of components. In the last few years, a large portion of this exposure has been reduced with a focused approach by adopting various measures such as:

- Project based approach for localisation of high technology parts
- Launching a new model with maximum possible localisation to realise benefits over a longer timeframe.
- Localisation of critical functional parts with support of SMC and vendors' overseas collaborators
- Enhanced procurement from the Japanese suppliers' transplants in ASEAN region to reduce the dependence on Yen.

The Company continued its localisation drive during the year as well.

Foreign exchange fluctuation affects financial performance. The Company is preparing an ambitious plan to reduce the import content significantly and insulate the financial performance from such fluctuations.

During the year, prices of commodities such as flat steel, plastics, aluminum, precious metals, lead and copper firmed up. The Company tried to limit the adverse impact of commodity price increase through better negotiation and hedging.

Every year, the contribution of all employees in cost reduction drives and suggestion schemes result in significant cost savings. This participation process is a unique example to achieve organisational excellence. It demonstrates the oneness with which employees collectively work towards achieving organisational goals. During the year, with the help of suggestion scheme 'Sujhaav Sangrehika' and cost reduction drive 'Sanchaika', the Company was able to achieve cost savings to the tune of ₹ 1,118 million.

Financial Performance

The Company registered Net Sales of ₹ 830,265 million and Profit after Tax of ₹ 75,006 million, de-growth of 2.9% over the previous year.

Treasury Operations

The Company has efficiently managed its surplus funds through careful treasury operations. The guiding principle of the Company's treasury investments is safety and prudence. In view of this, the Company invested its surplus funds in debt schemes of mutual funds. This has enabled the Company to earn reasonable and stable returns.

Abridged Profit and Loss Account for 2018-19

(₹ in million)

	Parameters	2018-19	2017-18	Change
1	Volumes (Nos.)			
	Domestic	1,753,700	1,653,500	6.1%
	Export	108,749	126,074	(13.7)%
	Total	**1,862,449**	**1,779,574**	**4.7%**
2	Gross Sale of Products	830,265	803,365	
	Vehicles	747,715	731,314	
	Spare parts/ dies and moulds/ components	82,550	72,051	
3	Excise duty	-	22,317	
4	Net sales (2-3)	830,265	781,048	
5	Other operating revenue	29,938	16,579	
6	Other income	25,610	20,455	
7	Total revenue (4+5+6)	885,813	818,082	8.3%
8	Consumption of raw materials, components and traded goods	601,321	548,759	
9	Employee benefit expenses	32,549	28,338	
10	Finance Costs	758	3,457	
11	Depreciation and amortisation	30,189	27,579	
12	Other expenses	116,340	99,915	
13	Total expenses	781,157	708,048	10.3%
14	Profit before tax (7-13)	104,656	110,034	(4.9%)
15	Current tax	29,323	33,495	
16	Deferred tax	327	(679)	
17	Profit after tax (14-15-16)	75,006	77,218	(2.9%)

Table 2: Financial Performance – Ratios

(% of Net Sales)

Parameters	2018-19	2017-18	Change
Material cost	72.4%	70.3%	2.1
Employee benefit expenses	3.9%	3.6%	0.3
Depreciation and amortisation	3.6%	3.5%	0.1
Other expenses	14.0%	12.8%	1.2
Profit before tax	12.6%	14.1%	(1.5)
Profit after tax	9.0%	9.9%	(0.9)

	Particulars	FY19	FY18	Change	Remarks:
(i)	Debtors Turnover (No. of Times)	52	64	-19%	
(ii)	Inventory Turnover (No. of Times)	19	17	9%	
(iii)	Interest Coverage Ratio	430	394	9%	
(iv)	Current Ratio	0.9	0.5	70%	Higher amount of investments with duration less than one year.
(v)	Debt Equity Ratio	-	0.001		
(vi)	Operating Profit Margin (%)	9.5%	11.5%	-17%	
(vii)	Net Profit Margin (%)	9.0%	9.9%	-9%	
	Return on Net Worth	16%	18%	-12%	Return on Net worth is lower this year due to lower Net profit as compared to last year.

Table 3 lists the investment of surplus funds while Table 4 lists the return on these surplus funds.

Table 3: Investment of Surplus Funds

(₹ in million)

	31-03-19	31-03-18
Debt Mutual Fund	354,810	340,820

Table 4: Income from Investment of Surplus Fund

(₹ in million)

	31-03-19	31-03-18
Interest on fixed deposits	168	6
Net Gain on sale of investment in debt mutual funds	1,601	964
Fair Value gain on investment in debt mutual funds	22,681	18,612
Total	**24,450**	**19,582**

Foreign Exchange Risk Management

The Company is exposed to the risks associated with fluctuations in foreign exchange rates mainly on import of components, raw materials, royalty payments and export of vehicles. The Company has a well-structured exchange risk management policy. The Company manages its exchange risk by using appropriate hedge instruments depending on market conditions and the view on currency.

Internal Controls and Adequacy

The Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and that all transactions are authorised, recorded and reported correctly. The internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets. The internal control system is supplemented by an extensive program of internal audits, reviews by management, and documented policies, guidelines and procedures.

Information Technology

To harness the full potential of ever-increasing digital adoption, the Company has embarked on a digital transformation journey. The objective is to rethink every aspect of the organisation and come up with tailor-made solutions to further improve customer experience and process efficiencies. It started with CRM system modernisation that will, once completed, set new benchmarks in customer experience. During the year, the Company digitised a host of internal processes for employees with an intent to further improve engagement, productivity and satisfaction. Institutionalising a framework to capture organisational learning was another important initiative taken during the year that will help the Company build on its experience in a much more efficient manner.

The Company is also actively pursuing the use of new age technologies. Deploying platform solutions based on Internet of Things (IoT) technology is one such example. The platform is capable of capturing real-time machine parameters and production data. It is helping the Company with increased overall equipment efficiency, improved predictive maintenance, and enhanced safety. By using advanced data analytics, the Company is empowering business leaders with quick and efficient decision making. At the same time predictive and artificial intelligence is making the Company find ways to improve business efficiencies.

Logistics

Amidst increasing spread and volume of logistics operations, the Company's focus is on ensuring fleet movement to be safe, fast, cost-effective and environment friendly. Key initiatives, helping us meet the stated objective are:

Telematics Solutions

Most of the car carriers have been integrated with GPS devices for real time tracking. In 2018-19, the Company saved ₹ 194.6 million on account of route optimisation which also resulted in faster delivery of vehicles. Each GPS device comes with a voice-box to give proactive and timely alerts to the driver before entering accident prone zones. It is also an extremely effective tool to give real-time feedback to the driver in the event of harsh manoeuvring or over-speeding, thereby, helping inculcate safe driving habits among the driver community.

Integrated Digital Platform

The Company closely tracks the Key Performance Indicators (KPIs) of all service providers. Some of the standardised KPIs include in-transit delay, en-route stoppages other than pit-stops, route deviation, daily running of trucks, loading and unloading time among others. On observing any deviation against the set KPIs, an exception ticket is generated and the team gets in touch with the relevant stakeholder to immediately resolve the issues.

Regional Stockyard

During the year, the Company started operations at its third regional stockyard in Siliguri that now handles dispatches for North-Eastern states. The two other regional stockyards are in Bengaluru and Nagpur to timely serve the southern and central region respectively.

Enhancing Multi-modal Dispatches

Rail continues to be among the fastest and the most economical modes of transport along with benefit of reduced carbon footprint and delivery time. During the year more rakes and destinations were added. The year witnessed a growth of 40.7% in vehicles dispatch using rail model. As a result, CO2 emissions reduced by 1,258 MT. The Company is actively pursuing opportunities to come up with in-plant sidings at Manesar and Gujarat plant to further enhance volumes and operational efficiency of despatches.

Risk Management

Over the past several years the Company has made conscious and concerted efforts to counter the threat of cyber security to its business. It has invested in Security Operations Center (SOC) to detect any IT security incident. Sandboxing technology has been put in place to ensure proactive malware detection and containment. As a measure against rapidly emerging cyber threats, the frequency of the Vulnerability Assessment/Penetration Testing (VA/PT) has been increased from once to twice a year. Periodic trainings are conducted for internal IT teams to equip them with knowledge and techniques to identify and respond against any cyber security incident. Regular user awareness programs are also organised to sensitise users on phishing attacks.

The Company continued efforts to identify and improve on potential sources of risk that could disrupt business continuity. Among the various potential sources of disruptions identified, greater emphasis was given to address the issues pertaining to fire safety.

In the recent past, the Company has implemented various preventive measures including some of the best practices of SMC, Japan related to fire safety. The scope of fire safety has been extended to the suppliers' operations also. The Company has started safety assessment of its suppliers with a special focus on fire safety assessment. Suppliers are re-audited to judge their preparedness and provided guidance on improvements to prevent fire accidents.

After disruption at a supplier's facility due to water logging, the Company has increased its focus on such issues and identified suppliers vulnerable to such problems. Adequate risk mitigation measures are being undertaken.

The Company also carries out a comprehensive supplier assessment to identify the weak areas with an objective to improve suppliers' capability. Risks get identified during assessments and appropriate mitigation measures are then taken with a time bound action plan.

In order to tap the growth opportunity going ahead, it is imperative for the Company to groom its employees and create a talent pool. Accordingly, the Company has put a systematic succession planning process in place to create a talent pipeline.

Outlook

Auto industry will witness several regulations in the year 2019-20. Introduction of Anti-lock-braking system (ABS) and implementation of second phase of safety regulations are among major ones. Though BS-VI regulation is coming into effect from 1st April 2020, it will be applicable on registration of vehicles and not on production. This means, BS-IV spec vehicles cannot be sold from 1st April 2020 and any unsold inventory beyond 1st April would be of no use. A careful volume planning needs to be done in such a scenario.

Further, all three major regulations will come into effective simultaneously in the financial year 2019-20. These regulations would lead to increase in prices may affect the demand specially of price sensitive entry level cars.

It is also interesting to see how the customers will respond to the change in regulations. There may be a chance that customers may advance the purchase of the vehicles in anticipation of a price increase. On the other side, customers might prefer technologically superior vehicles which may not alter the pace of buying. Overall, the year 2019-20 appears to be an unpredictable year.

On the economic growth for 2019-20, most of the credible national and international research agencies have revised down their growth forecast. Instead of any sharp recovery, the economy is expected to gather a gradual momentum from the current state. Concerns over a global economic slowdown are growing. On the positive side, however, easing of interest rate, public spending in rural areas and increase in disposable incomes of households due to tax benefits augur well for the economy.

Disclaimer

Statements in this Management Discussions and Analysis describing the Company's objectives, projections, estimates and expectations are categorised as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include trends in the domestic auto industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

Business Responsibility Report

Section A: General Information about the Company

1.	Corporate Identification Number (CIN) of the Company	L34103DL1981PLC011375
2.	Name of the Company	Maruti Suzuki India Limited
3.	Registered address	1, Nelson Mandela Road, Vasant Kunj, New Delhi-110070
4.	Website	www.marutisuzuki.com
5.	E-mail Id	investor@maruti.co.in
6.	Financial year reported	2018-19
7.	Sector(s) that the Company is engaged in	Automobile
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	1. Passenger Vehicles (PV) 2. Multi-Utility Vehicles (MUV) 3. Multi-Purpose Vehicles (MPV)
9.	Total number of locations where business activity is undertaken by the Company	
	Number of international locations	Nil
	Number of national locations	• 2 Manufacturing facilities at Gurugram and Manesar (Haryana) • 1 Research & Development (R&D) facility at Rohtak (Haryana) • 3 Sales & Distribution (S&D) facilities at Gurugram (Haryana), Manesar (Haryana) and Hansalpur (Gujarat) • 3 Stockyards at Siliguri (West Bengal), Bengaluru (Karnataka) and Nagpur (Maharashtra) • 1 Service facility at Naraina, New Delhi • Head Office in New Delhi • Regional Offices, Area Offices and Zonal Offices across India
10.	Markets served by the Company - Local/ State/National/International	Domestic: Across India International: Europe, Africa, Asia, Oceania and Latin America

Section B: Financial Details of the Company

1.	Paid up capital (₹ million)	1510
2.	Total turnover (₹ million)	860,203
3.	Total profit after taxes (₹ million)	75,006
4.	Total Corporate Social Responsibility (CSR) spend (₹ million)	1,541
5.	Total spending on CSR as percentage of profit after tax (%)	2.05
6.	Total spending on CSR as percentage of average net profit of the previous three years as per Companies Act 2013 (%)	2
7.	List of activities in which expenditure in 4 above has been incurred	Community development, skill development and road safety

Section C: Other Details

1.	Does the Company have any subsidiary company/ companies?	Yes
2.	Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	No

Section D: Business Responsibility (BR) Information

1. Details of Director/Directors responsible for BR
   (i) Details of the Director/Director responsible for implementation of the BR policy/policies

S. No.	Particulars	Details
1.	DIN Number (if applicable)	02262755
2.	Name	Mr. Kenichi Ayukawa
3.	Designation	Managing Director and CEO

   (ii) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	NA
2.	Name	Mr. Kanwaldeep Singh
3.	Designation	Sr. Vice President, Corporate Social Responsibility
4.	Telephone number	011-46781123
5.	E-mail id	kanwaldeep.singh@maruti.co.in

2. Principle-wise (as per NVGs) BR policy/policies

Principle 1	Businesses should conduct and govern themselves with ethics, transparency and accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life-cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5	Businesses should respect and promote human rights
Principle 6	Business should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

   (i) Details of compliance

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Do you have policy/policies for	Y	Y	Y	Y	N	Y	N	Y	Y
Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	N	Y	N	Y	Y
Does the policy confirm to any national/ international standards? If yes, specify?	Y +	Y +	Y +	Y +	N	Y +	N	Y +	Y +
Has the policy being approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	N	Y	N	Y	Y
Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	N	Y	Y	N	Y	N	Y	Y
Indicate the link for the policy to be viewed online?	Y **	Y *	Y **	Y *	N	Y **	N	Y **	Y *
Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	N	Y	N	Y	Y
Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	N	Y	N	Y	Y

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y +	Y	N	Y	Y
Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	Y	N	Y	Y

± Policies have been formulated over time taking into consideration national environmental and safety norms for vehicles, and international standards such as Global Reporting Initiative Framework, ISO standards on Quality & Environmental Management Systems, British Standard for Occupational Health & Safety, and ILO Standards on labour practices

* Policies are available on internal portal and accessible only to employees

** Policies are available on Company website - http://www.marutisuzuki.com/code-of-conduct.aspx; http://www.marutisuzuki.com/code-of-conduct.aspx

+ Although standalone policies are currently not in place, grievance redressal mechanism is in place to address stakeholder concerns regarding aspects of human rights and policy advocacy

(ii) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	*	-	**	-	-

* The Company does not have a standalone Human Rights policy. Aspects of human rights, such as child labour, occupational health and safety and non-discrimination are covered in its various Human Resource policies.

** The Company does not have a standalone advocacy policy. For advocacy on policies related to the automobile industry, the Company engages with industry associations and expert agencies.

3. Governance related to BR

(i) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company.

The Company's top management along with the Managing Director reviews the Company's financial and non-financial performance on a monthly basis through Business Review Meetings (BRM).

(ii) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

Till 2017-18, the Company had been disclosing its sustainability related performance through Sustainability Report, as part of its Annual Report. This year, the Company has published an Integrated Report prepared in alignment with the <IR> Framework developed by the International Integrated Reporting Council (IIRC).

Section E: Principle-wise Performance

National Voluntary Guidelines Principles	Section mapping	Page No.
Principle 1:		
1. Coverage of ethics, bribery and corruption policy	Code of business conduct and ethics	43
2. Details of stakeholder complaints received and resolved in FY 2018-19	Prevention of sexual harassment, Whistle blower mechanism	43

National Voluntary Guidelines Principles	Section mapping	Page No.
Principle 2:		
1. Products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities	Fuel-efficiency, Vehicle safety, Reducing product emissions, End-of-Life Vehicle management	46,48,49,50
2. Use of resources (energy, water, raw material etc.) for manufacturing the product	Raw material use and recycling, Energy and emissions management, Water and wastewater management	63,64,66
3. Procedures in place for sustainable sourcing (including transportation)	Working with suppliers, Energy and emissions management	53,64
4. Procuring from and capacity building of small and local vendors	Working with suppliers	53
5. Mechanism to recycle products and waste and percentage of recycled products and waste	End-of-Life Vehicle management, Li-ion battery recycling, Raw material use and recycling, Water and wastewater management, Waste management	50,63,66,67
Principle 3:		
1. Total workforce and categorisation by gender, physical disability, contract type etc.	Workforce	59
2. Details of employee association(s) recognised by management and percentage of employees covered by these association(s)	Industrial relations	60
3. Complaints on child labour, forced labour, involuntary labour and sexual harassment received and resolved	Code of business conduct and ethics, Prevention of sexual harassment, Respecting human rights	43
4. Skill up-gradation and safety training	Learning and development, Safety communication and training, Training of suppliers, Training of dealers	54,55,58,59
Principle 4:		
1. Identification and mapping of internal and external stakeholders	Stakeholder engagement	32
2. Identification and engagement with disadvantaged, marginalised and vulnerable stakeholders	Corporate social responsibility	68
Principle 5:		
1. Coverage of human rights policy	Code of business conduct and ethics, Respecting human rights	43
2. Complaints received and resolved in the FY 2018-19	Prevention of sexual harassment, Whistle blower mechanism, Respecting human rights	43
Principe 6:		
1. Coverage of environmental policy	Resource use and management	63
2. Company's policy/strategy/initiatives to address global environmental issues such as climate change and initiatives on clean technology, energy efficiency, renewable energy, Clean Development Mechanism etc.	Product innovation and stewardship, Green procurement, Resource use and management	45,54,63
3. Identification and assessment of environmental risks	Resource use and management	63
4. Compliance with CPCB/SBCB norms	Compliance management	43
Principle 7:		
1. Status of membership of any trade and chamber or association	Policy advocacy practices	44
2. Advocacy through any trade and chamber or association for advancement or improvement of public good	Policy advocacy practices	44
Principle 8:		
1. Details of the Company's community development initiatives including impact assessment	Corporate social responsibility	68
2. Mode of undertaking programmes/ projects	Corporate social responsibility	68
3. Financial contribution towards community development projects	Corporate social responsibility	68
Principe 9:		
1. Consumer cases pending	Compliance management	43
2. Cases filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour and cases resolved	Compliance management	43
3. Display of product information	Customer engagement and support	51
4. Consumer surveys undertaken	Customer engagement and support	51

Financial Statements


BALENO

Independent Auditor's Report

To The Members of MARUTI SUZUKI INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Maruti Suzuki India Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Evaluation of uncertain tax positions relating to Income taxes and Excise duty The Company has material uncertain tax positions including matters under disputes relating to Income taxes. Further, the Company has matters under litigation relating to Excise duty. These matters involve significant management judgement to determine the possible outcome of disputes. Refer to note 2.4 and 38 of the financial statements.	**Principal Audit Procedures:** We obtained details of completed income tax and excise duty assessments during the year ended March 31, 2019 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income taxes and matters under litigations for Excise duty. Additionally we considered the effect of new information in respect of uncertain tax positions and matters under dispute as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's report, Business Responsibility Report and Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer to note 38 to standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer to note 16 to standalone financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 25th April, 2019

Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Maruti Suzuki India Limited** ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its joint operations companies incorporated in India (retain as applicable) based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on "the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 25th April, 2019

Annexure B To The Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The property, plant and equipment except furniture and fixtures, office appliances and certain other property, plant and equipment having a carrying value of ₹ 3,224 million, were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds / transfer deeds / conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of buildings	Amount as on 31-03-2019 (₹ in million)	Remarks
4 residential flats located in Mundra Port	10.19	Title deeds are yet to be executed.
3 residential flats in Ranchi	10.94	Title deeds are yet to be executed.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement except the following:

Particulars of land	Amount as on 31-03-2019 (₹ in million)	Remarks
Land situated in Kolkata	5.42	Under litigation

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals other than for stock lying with third parties, tools and machinery spares and goods in transit. Confirmations were obtained by management for stock lying with third parties and subsequent receipts were verified in case of good in transit in most of the cases. The discrepancies noted on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) Other than for "Engines" and "Generation of Power", the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

Details of dues of Income-tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and Excise Duty which have not been deposited as on 31 March, 2019 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ in million)	Amount unpaid (₹ in million)
Income Tax Act, 1961	Income Tax	Supreme Court	1993-2011	5,402	5,369
		High Court	1993-2009	6,458	5,262
		Income Tax Appellate Tribunal (ITAT)	2003-2012	61,985	58,397
		Upto Commissioner (Appeals)	2007-2019	36	36
Wealth tax Act, 1957	Wealth tax	High Court	1997-1998	1	-
The Central Excise Act, 1944	Excise Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2002-2017	14,834	12,669
The Finance Act, 1994	Service Tax	Supreme Court	2010-2011	37	15
		High Court	2013-2015	7	4
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2003-2017	4,420	4,217
		Upto Commissioner (Appeals)	2015-2017	2	2
Customs Act, 1962	Customs Duty	Commissioner Customs	1991-2014	51	51
Sales Tax Laws	Haryana General Sales Tax Act	Assessing Authority	1984-1989	4	3
	Central sales tax(Gujarat)	Commissioner Appeals	2013-2015	6	-

* amount as per demand orders including interest and penalty wherever quantified in the Order.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has neither taken any loans or borrowings from financial institutions or government nor issued any debentures during the year.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 25th April, 2019

Balance Sheet

As at March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	Page No.	As at 31.03.2019	As at 31.03.2018
ASSETS				
Non-current assets				
Property, plant and equipment	4	175	149,567	130,473
Capital work-in-progress	4	175	16,001	21,259
Intangible assets	5	177	4,511	3,117
Financial assets				
Investments	6	178	314,695	340,729
Loans	7	181	2	2
Other financial assets	9	182	340	324
Other non-current assets	12	183	20,586	18,583
Total non-current assets			**505,702**	**514,487**
Current assets				
Inventories	10	182	33,257	31,608
Financial assets				
Investments	6	178	50,455	12,173
Trade receivables	8	181	23,104	14,618
Cash and bank balances	11	183	1,789	711
Loans	7	181	160	30
Other financial assets	9	182	4,964	2,846
Current tax assets (Net)	21	192	4,274	4,109
Other current assets	12	183	5,613	13,119
Total current assets			**123,616**	**79,214**
Total assets			**629,318**	**593,701**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	184	1,510	1,510
Other equity	14	185	459,905	416,063
Total equity			**461,415**	**417,573**
Liabilities				
Non-current liabilities				
Provisions	17	188	395	265
Deferred tax liabilities (Net)	18	190	5,640	5,589
Other non-current liabilities	19	191	20,365	15,853
Total non-current liabilities			**26,400**	**21,707**
Current liabilities				
Financial liabilities				
Borrowings	15	187	1,496	1,108
Trade payables				
Total outstanding dues of micro and small enterprises	20	191	682	711
Total outstanding dues of creditors other than micro and small enterprises	20	191	95,648	104,259
Other financial liabilities	16	188	14,400	13,338
Provisions	17	188	6,244	5,600
Current tax liabilities (Net)	21	192	6,729	8,541
Other current liabilities	19	191	16,304	20,864
Total current liabilities			**141,503**	**154,421**
Total liabilities			**167,903**	**176,128**
Total equity and liabilities			**629,318**	**593,701**

The accompanying notes are forming part of these financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

JITENDRA AGARWAL
Partner

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager
& Company Secretary
ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Statement of Profit and Loss
for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	Page No.	For the Year ended 31.03.2019	For the Year ended 31.03.2018
I	Revenue from operations	22	192	860,203	819,944
II	Other income	23	193	25,610	20,455
III	**Total Income (I+II)**			**885,813**	**840,399**
IV	**Expenses**				
	Cost of materials consumed	24.1	193	450,239	449,413
	Purchases of stock-in-trade			150,195	99,930
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.2	193	2,108	407
	Excise duty			-	22,317
	Employee benefits expense	25	194	32,549	28,338
	Finance costs	26	194	758	3,457
	Depreciation and amortisation expense	27	194	30,189	27,579
	Other expenses	28	194	116,340	99,915
	Vehicles / dies for own use			(1,221)	(991)
	Total expenses (IV)			**781,157**	**730,365**
V	**Profit before tax (III - IV)**			**104,656**	**110,034**
VI	**Tax expense**				
	Current tax	29	195	29,323	33,495
	Deferred tax	29	195	327	(679)
				29,650	**32,816**
VII	**Profit for the period (V - VI)**			**75,006**	**77,218**
VIII	**Other Comprehensive Income**				
	A (i) Items that will not be reclassified to profit or loss				
	(a) gain / (loss) of defined benefit obligation	14.4	186	(435)	(196)
	(b) gain / (loss) on change in fair value of equity instruments	14.5	186	(1,745)	3,470
				(2,180)	**3,274**
	A (ii) Income tax relating to items that will not be reclassified to profit or loss			149	39
	B (i) Items that will be reclassified to profit or loss				
	(a) effective portion of gain / (loss) on hedging instruments in a cash flow hedge	14.6	186	2	(2)
				2	(2)
	B (ii) Income tax relating to items that will be reclassified to profit or loss			(1)	1
	Total Other Comprehensive Income (A (i+ii)+B (i+ii))			**(2,030)**	**3,312**
IX	**Total Comprehensive Income for the period (VII + VIII)**			**72,976**	**80,530**
	Earnings per equity share (₹)	31	196		
	Basic			248.30	255.62
	Diluted			248.30	255.62

The accompanying notes are forming part of these financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

JITENDRA AGARWAL
Partner

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager
& Company Secretary
ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Statement of Changes in Equity

for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

a. Equity share capital

	Amount
Balance at April 01, 2017	**1,510**
Changes in equity share capital during the year	-
Balance at March 31, 2018	**1,510**
Changes in equity share capital during the year	-
Balance at March 31, 2019	**1,510**

b. Other equity

	Reserves and Surplus						Items of other comprehensive income		
	Reserves created on amalgamation	Securities premium	General reserve	Retained earnings	Employee Welfare Fund	Scientific Research Fund	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Total
Balance at April 01, 2017	**9,153**	**4,241**	**29,309**	**313,189**	**-**	**-**	**6,909**	**-**	**362,801**
Profit for the year	-	-	-	77,218	-	-	-	-	77,218
Other comprehensive income for the year, net of income tax	-	-	-	(131)	-	-	3,444	(1)	3,312
Total comprehensive income for the year	**-**	**-**	**-**	**77,087**	**-**	**-**	**3,444**	**(1)**	**80,530**
Payment of dividend	-	-	-	(22,656)	-	-	-	-	(22,656)
Tax on Dividend	-	-	-	(4,612)	-	-	-	-	(4,612)
Balance at March 31, 2018	**9,153**	**4,241**	**29,309**	**363,008**	**-**	**-**	**10,353**	**(1)**	**416,063**
Profit for the year	-	-	-	75,006	-	-	-	-	75,006
Other comprehensive income for the year, net of income tax	-	-	-	(284)	-	-	(1,747)	1	(2,030)
Total comprehensive income for the year	**-**	**-**	**-**	**74,722**	**-**	**-**	**(1,747)**	**1**	**72,976**
Payment of dividend	-	-	-	(24,166)	-	-	-	-	(24,166)
Tax on Dividend	-	-	-	(4,968)	-	-	-	-	(4,968)
Employee Welfare Fund	-	-	-	(772)	772	-	-	-	-
Scientific Research Fund	-	-	-	(772)	-	772	-	-	-
Income on funds earmarked for Employee welfare fund	-	-	-	(36)	36	-	-	-	-
Balance at March 31, 2019	**9,153**	**4,241**	**29,309**	**407,016**	**808**	**772**	**8,606**	**-**	**459,905**

The accompanying notes are forming part of these financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
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JITENDRA AGARWAL
Partner

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager
& Company Secretary
ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Cash Flow Statement
for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	Page No.	For the year ended 31.03.2019	For the year ended 31.03.2018
A. Cash flow from Operating Activities:				
Profit before tax			104,656	110,034
Adjustments for:				
Depreciation and amortisation expense	27	194	30,189	27,579
Finance costs	26	194	758	3,457
Interest income	23	193	(1,237)	(679)
Dividend income	23	193	(91)	(200)
Net loss on sale / discarding of property, plant and equipment	28	194	531	545
Net gain on sale of investments in debt mutual funds	23	193	(1,601)	(964)
Fair valuation gain on investment in debt mutual funds	23	193	(22,681)	(18,612)
Liabilities no longer required written back	22	192	(53)	(852)
Unrealised foreign exchange (gain)/ loss			85	34
Operating Profit before Working Capital changes			**110,556**	**120,342**
Adjustments for changes in Working Capital :				
- (Increase)/decrease in loans (non-current)	7	181	-	1
- (Increase)/decrease in other financial assets (non-current)	9	182	(16)	(86)
- (Increase)/decrease in other non-current assets	12	183	(4,281)	(22)
- (Increase)/decrease in inventories	10	182	(1,649)	1,014
- (Increase)/decrease in trade receivables	8	181	(8,518)	(2,617)
- (Increase)/decrease in loans (current)	7	181	(130)	(5)
- (Increase)/decrease in other financial assets (current)	9	182	(2,155)	(1,788)
- (Increase)/decrease in other current assets	12	183	7,506	2,078
- Increase/(decrease) in non-current provisions	17	188	130	46
- Increase/(decrease) in other non-current liabilities	19	191	4,512	4,803
- Increase/(decrease) in trade payables	20	191	(8,603)	21,276
- Increase/(decrease) in other financial liabilities (current)	16	188	4,501	(1,261)
- Increase/(decrease) in current provisions	17	188	209	1,110
- Increase/(decrease) in other current liabilities	19	191	(4,702)	3,509
Cash generated from Operating Activities			**97,360**	**148,400**
- Income taxes paid (net)			(31,428)	(30,550)
Net Cash from / (used in) Operating Activities			**65,932**	**117,850**
B. Cash flow from Investing Activities:				
Payments for purchase of property, plant and equipment and capital work in progress	4	175	(47,447)	(38,918)
Payments for purchase of intangible assets	5	177	(1,254)	-
Proceeds from sale of property, plant and equipment	4	175	1,701	265
Payments for purchase of investment in associate company	6	178	(3)	-
Proceeds from sale of debt mutual funds	6	178	539,864	425,643
Payments for purchase of debt mutual funds	6	178	(529,572)	(470,689)
Interest received	23	193	1,237	678
Dividend received	23	193	91	200
Net Cash from / (used in) Investing Activities			**(35,383)**	**(82,821)**

Cash Flow Statement

for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	Page No.	For the year ended 31.03.2019	For the year ended 31.03.2018
C. Cash flow from Financing Activities:				
Proceeds from short term borrowings	15	187	1,496	1,108
Repayment of short term borrowings	15	187	(1,108)	(4,836)
Finance cost paid	26	194	(732)	(3,464)
Payment of dividend on equity shares	14.4	186	(24,166)	(22,656)
Related income tax	14.4	186	(4,968)	(4,612)
Net Cash from / (used in) Financing Activities			**(29,478)**	**(34,460)**
Net Increase/(Decrease) in cash & cash equivalents			**1,071**	**569**
Cash and cash equivalents at the beginning of the year			**699**	**130**
Cash and cash equivalents at the end of the year			**1,770**	**699**
Cash and cash equivalents comprises :				
Cash and cheques in hand	11	183	881	38
Balance with Banks	11	183	889	661
			1,770	**699**

The accompanying notes are forming part of these financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

SANJEEV GROVER
Chief General Manager
& Company Secretary

ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

1 General Information

Maruti Suzuki India Limited ("The Company") is a public limited company incorporated and domiciled in India, listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is #1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. The Company is a subsidiary of Suzuki Motor Corporation, Japan. The principal activities of the Company are manufacturing, purchase and sale of motor vehicles, components and spare parts. The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing.

During the previous year, a Scheme of Amalgamation between the Company and its seven wholly owned subsidiaries, by the names of Maruti Insurance Business Agency Limited, Maruti Insurance Distribution Services Limited, Maruti Insurance Agency Network Limited, Maruti Insurance Agency Solutions Limited, Maruti Insurance Agency Services Limited, Maruti Insurance Agency Logistics Limited and Maruti Insurance Broker Limited became effective w.e.f. the appointed date, i.e., April 1, 2016 on completion of all required formalities on July 11, 2017 and approval of National Company Law Tribunal.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Company’s operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

The principal accounting policies are set out below.

2.3 Going concern

The board of directors have considered the financial position of the Company as at March 31, 2019 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Note 32 : Provision for employee benefits

Provision for employee benefits requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Company's retirement benefit obligations.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Note 17 & 38 : Provision for litigations

Income Tax: The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Other litigations: Litigations often involve complex legal/ regulatory issues and are connected with a high degree of uncertainty. Accordingly, the assessment of whether an obligation exists on the balance sheet date as a result of an event in the past, and whether a future cash outflow is likely and the obligation can be reliably estimated, largely depends on estimations by the management.

Note 17 : Provision for warranty and product recall

The Company creates provision based on historical warranty claim experience. In addition, assumptions on the amounts of potential costs are also included while creating the provisions. The provisions are regularly adjusted to reflect new information.

Note 4 : Property, Plant and Equipment - Useful economic life

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end.

2.5 Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers'. First time adoption has been conducted retrospectively with cumulative effect of initially applying this standard as on the transition date. The effect on the transition to Ind AS 115 is insignificant.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty (till 30th June, 2017) and net of returns, discounts, sales incentives, goods & service tax and value added taxes.

The Company recognises revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and degree of managerial involvement associated with ownership or effective control have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

2.5.1 Sale of goods

Revenue is recognised for domestic and export sales of vehicles, spare parts, and accessories when the Company transfers control over such products to the customer on dispatch from the factory and the port respectively.

2.5.2 Income from services

Revenue from engineering services are recognised as the related services are performed. Revenue from extended warranty is recognised on time proportion basis. Income from other services are accounted over the period of rendering of services. Invoicing in excess of revenues are classified as contract liabilities. Contract liabilities pertains to advance consideration received towards sale of extended warranty and other services by the Company.

2.5.3 Income from royalty

Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangements.

2.6 Other Income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.7 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.7.1 The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

2.7.2 The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 2.9 below).

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

Upfront amount paid for land taken on lease is amortised over the period of lease.

2.8 Foreign currencies

2.8.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian rupee (₹), which is the Company’s functional and presentation currency.

2.8.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of surplus funds out of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Employee benefits

2.10.1 Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

2.10.2 Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.10.3 Post-employment obligations

Defined benefit plans

The Company has defined benefit plans namely gratuity, provident fund and retirement allowance for employees. The gratuity fund and provident fund are recognised by the income tax authorities and are administered through trusts set up by the Company. Any shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company has defined contribution plans for post-employment benefit namely the superannuation fund which is recognised by the income tax authorities. This fund is administered through a trust set up by the Company and the Company's contribution thereto is charged to profit or loss every year. The Company has no further payment obligations once the contributions have been paid. The Company also maintains an insurance policy to fund a post-employment medical assistance scheme, which is a defined contribution plan. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the statement of profit and loss every year.

Termination benefits

A liability for the termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.11.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.11.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.11.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.12 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and recognised in profit or loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Building	3-60 years
Plant and machinery other than Dies and Jigs	8 years
Dies and jigs	5 years
Electronic data processing equipment	3 years
Furniture and fixtures	10 years
Office appliances	5 years
Vehicles	8 years

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

All assets, the individual written down value of which at the beginning of the year is ₹ 5,000 or less, are depreciated at the rate of 100%. Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

Freehold land and Leasehold land in the nature of perpetual lease is not amortised.

2.13 Intangible assets

2.13.1 Intangible assets acquired separately

Lump sum royalty and engineering support fee is carried at cost which is incurred and stated in the relevant licence agreement with the technical knowhow / engineering support provider less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful lives and amortisation

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

method are reviewed at end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.13.2 Amortisation methods and useful lives

Lump sum royalty and engineering support fee is amortised on a straight line basis over its estimated useful life i.e. 5 years from the start of production of the related model. An intangible asset is derecognised when no future economic benefits are expected from use.

2.14 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.15 Inventories

Inventories are valued at the lower of cost, determined on the weighted average basis and net realisable value.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Machinery spares (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged to profit or loss on consumption except those valued at ₹ 5,000 or less individually, which are charged to revenue in the year of purchase.

2.16 Provisions and contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.17 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

2.18 Financial assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.18.1 Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.

- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

- cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

2.18.2 Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in profit or loss.

2.18.3 Equity investment in subsidiaries, associates and joint ventures

Investments representing equity interest in subsidiaries, associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.18.4 Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Investments in debt based mutual funds are measured at fair value through profit or loss.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

2.18.5 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

2.18.6 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

2.18.7 Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following :

- financial assets measured at amortised cost

- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or

- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

2.18.8 Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

2.18.9 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

2.19 Financial liabilities and equity instruments

2.19.1 Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2.19.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

2.19.3.1 Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

2.19.3.2 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.19.3.3 Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.19.3.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.20 Derivative financial instruments

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks and commodity price risks. Further details of derivative financial instruments are disclosed in note 33.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument which is recognised in other comprehensive income (net of tax) and presented as a separate component of equity which is later reclassified to profit or loss when the hedge item affects profit or loss.

2.20.1 Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

2.21 Hedge accounting

The Company designates certain hedging instruments, in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an on-going basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in the fair value of these contracts that are designated and effective as hedges of future cash flows are recognised in other comprehensive income (net of tax) and the ineffective portion is recognised immediately in the profit or loss. Amount accumulated in equity are reclassified to the profit or loss in the periods in which the forecasted transaction occurs.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in other equity is retained there until the forecast transaction occurs.

Note 33 sets out details of the fair values of the derivative instruments used for hedging purposes.

2.22 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.23 Government Grant

Government grants are recognised where there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expense the related cost for which the grants are intended to compensate.

2.24 Earning Per Share

Basic earning per share has been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earning per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

2.25 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.26 Royalty

The Company pays / accrues for royalty in accordance with the relevant licence agreements.

2.27 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognized, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

2.28 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

3 Applicability Of New And Revised Ind AS

3.1 Ministry of Corporate affairs has notified Ind AS 116 - Leases, which is effective from April 1, 2019, which will replace the existing lease standard, Ind AS 17 Leases and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of lease for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating

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(All amounts in ₹ million, unless otherwise stated)

lease expenses are charged to the statement of profit and loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward lessor accounting requirements. The Company is evaluating the impact of Ind AS 116 and its effect on the financial statements.

3.2 Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements and its effect on the financial statements.

3.3 Amendments to Ind AS 12 - Income Taxes On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not expect any impact from this pronouncement.

3.4 Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.The amendments require an entity: 1) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and 2) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

4 Property, Plant and Equipment and Capital Work-In-Progress

	As at 31.03.2019	As at 31.03.2018
Carrying amount of		
Freehold Land	38,419	31,403
Leasehold Land ^	525	525
Buildings	18,826	16,900
Plant & Machinery	88,296	78,439
Electronic Data Processing (EDP) Equipment	519	570
Furniture, Fixtures and Office Appliances	1,595	1,387
Vehicles	1,387	1,249
	149,567	**130,473**
Capital work-in-progress	16,001	21,259
	165,568	**151,732**

^ In the nature of perpetual lease

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	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	EDP Equipment	Furniture, Fixtures and Office Appliances	Vehicles	Total
Gross Carrying amount								
Balance at April 01, 2017	19,039	525	18,280	138,833	1,344	1,391	1,295	**180,707**
Addition	12,364	-	1,491	12,949	382	664	692	**28,542**
Disposal / adjustments*	-	-	(7)	(1,013)	(9)	(2)	(377)	**(1,408)**
Balance at March 31, 2018	**31,403**	**525**	**19,764**	**150,769**	**1,717**	**2,053**	**1,610**	**207,841**
Addition	8,382	-	3,516	36,707	396	500	736	**50,237**
Disposal / adjustments*	(1,366)	-	(25)	(2,040)	(40)	134	(518)	**(3,855)**
Balance at March 31, 2019	**38,419**	**525**	**23,255**	**185,436**	**2,073**	**2,687**	**1,828**	**254,223**
Accumulated depreciation and impairment								
Balance at April 01, 2017	-	-	1,671	48,444	736	416	243	**51,510**
Depreciation expenses	-	-	1,194	24,384	423	259	196	**26,456**
Disposal / adjustments*	-	-	(1)	(498)	(12)	(9)	(78)	**(598)**
Balance at March 31, 2018	**-**	**-**	**2,864**	**72,330**	**1,147**	**666**	**361**	**77,368**
Depreciation expenses	-	-	1,580	26,258	446	405	222	**28,911**
Disposal / adjustments*	-	-	(15)	(1,448)	(39)	21	(142)	**(1,623)**
Balance at March 31, 2019	**-**	**-**	**4,429**	**97,140**	**1,554**	**1,092**	**441**	**104,656**
Carrying amount								
Balance at April 01, 2017	19,039	525	16,609	90,389	608	975	1,052	**129,197**
Addition	12,364	-	1,491	12,949	382	664	692	**28,542**
Disposal / adjustments*	-	-	(6)	(515)	3	7	(299)	**(810)**
Depreciation expenses	-	-	(1,194)	(24,384)	(423)	(259)	(196)	**(26,456)**
Balance at March 31, 2018	**31,403**	**525**	**16,900**	**78,439**	**570**	**1,387**	**1,249**	**130,473**
Addition	8,382	-	3,516	36,707	396	500	736	**50,237**
Disposal / adjustments*	(1,366)	-	(10)	(592)	(1)	113	(376)	**(2,232)**
Depreciation expenses	-	-	(1,580)	(26,258)	(446)	(405)	(222)	**(28,911)**
Balance at March 31, 2019	**38,419**	**525**	**18,826**	**88,296**	**519**	**1,595**	**1,387**	**149,567**

4.1 Notes on Property, Plant And Equipment

1 Immovable properties having carrying value of ₹ 27 million (as at 31.03.18 ₹ 27 million) are not yet registered in the name of the Company.

2 Plant and Machinery includes a Gas Turbine jointly owned by the Company with its group companies and other companies (pro-rata cost amounting to ₹ 374 million, carrying amount as at 31.03.2019 Nil (as at 31.03.18 Nil).

3 A part of freehold land of the Company situated at Gurugram, Manesar and Gujarat has been made available to its group companies / fellow subsidiary for their business purpose.

* Adjustment includes the intra-head re-grouping of amounts.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

5 Intangible Assets

	As at 31.03.2019	As at 31.03.2018
Carrying amount of		
Lumpsum royalty and engineering support fee	4,511	3,117
	4,511	**3,117**

	Lumpsum royalty and engineering support fee
Gross Carrying amount	
Balance at April 01, 2017	5,888
Addition	562
Adjustment	(52)
Balance at March 31, 2018	**6,398**
Addition	2,672
Balance at March 31, 2019	**9,070**
Accumulated amortisation and impairment	
Balance at April 01, 2017	2,158
Amortisation expenses	1,123
Balance at March 31, 2018	**3,281**
Amortisation expenses	1,278
Balance at March 31, 2019	**4,559**
Carrying amount	
Balance at April 01, 2017	3,730
Addition	562
Adjustment	(52)
Amortisation expenses	(1,123)
Balance at March 31, 2018	**3,117**
Addition	2,672
Amortisation expenses	(1,278)
Balance at March 31, 2019	**4,511**

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(All amounts in ₹ million, unless otherwise stated)

6 Investments

	As at 31.03.2019	As at 31.03.2018
Non-current		
Investment in equity instruments		
- Subsidiary companies	77	77
- Associate companies	1,085	1,082
- Joint venture companies	152	152
- Others	9,026	10,771
Investment in preference shares	-	-
Investment in debt mutual funds	304,355	328,647
	314,695	**340,729**
Current		
Investment in debt mutual funds	50,455	12,173
	50,455	**12,173**
Aggregate value of unquoted investments	356,597	342,592
Aggregate value of quoted investments	8,603	10,360
Market value of quoted investments	10,773	13,710
Aggregate provision for diminution in value of investments	50	50

6.1 Investment in subsidiaries

Break-up of investment in subsidiaries (carrying amount at cost)

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Unquoted investment (fully paid up)				
J.J Impex (Delhi) Private Limited (Face value of ₹ 10 each)	4,476,250	76	4,476,250	76
True Value Solutions Limited (Face value of ₹ 10 each)	50,000	1	50,000	1
Total aggregate unquoted investment		**77**		**77**

6.2 Investment in associates

Break-up of investment in associates (carrying amount at cost)

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Quoted investment (fully paid up)				
Bharat Seats Limited (Face value of ₹ 2 each)	4,650,000	5	4,650,000	5
Jay Bharat Maruti Limited (Face value of ₹ 5 each)	6,340,000	16	6,340,000	16
Machino Plastics Limited (Face value of ₹ 10 each)	941,700	5	941,700	5
Total aggregate quoted investment (A)		**26**		**26**
Aggregate market value of quoted investment		**2,196**		**3,376**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2019		As at 31.03.2018	
	Number	**Amount**	Number	Amount
Unquoted investment (fully paid up)				
Caparo Maruti Limited (Face value of ₹ 10 each)	2,500,000	25	2,500,000	25
Hanon Climate Systems India Private Limited (Face value of ₹ 100 each)	518,700	52	518,700	52
Krishna Maruti Limited (Face value of ₹ 10 each)	670,000	7	670,000	7
SKH Metals Limited (Face value of ₹ 10 each)	2,645,000	49	2,645,000	49
Nippon Thermostat (India) Limited (Face value of ₹ 10 each)	125,000	1	125,000	1
Mark Exhaust Systems Limited (Face value of ₹ 10 each)	4,437,465	57	4,437,465	57
Bellsonica Auto Components India Private Limited (Face value of ₹ 100 each)	3,540,000	354	3,540,000	354
FMI Automotive Components Private Limited (Face value of ₹ 10 each)	44,100,000	441	44,100,000	441
Manesar Steel Processing India Private Limited (Face value of ₹ 10 each)	6,840,000	68	6,840,000	68
Maruti Insurance Broking Private Limited (Face value of ₹ 10 each)	231,275	2	231,275	2
Bahucharaji Rail Corporation Limited (Face value of ₹ 10 each)	330,000	3	-	-
Total aggregate unquoted investment (B)		**1,059**		**1,056**
Total investments carrying value (A) + (B)		**1,085**		**1,082**

6.3 Investment in joint ventures

Break-up of investment in joint ventures (carrying amount at cost)

	As at 31.03.2019		As at 31.03.2018	
	Number	**Amount**	Number	Amount
Unquoted investment (fully paid up)				
Plastic Omnium Auto Inergy Manufacturing India Private Limited (Face value of ₹ 10 each)	6,656,000	67	6,656,000	67
Magneti Marelli Powertrain India Limited (Face value of ₹ 10 each)	8,550,000	85	8,550,000	85
Total aggregate unquoted investment		**152**		**152**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6.4 Other equity instruments

Investment in equity instruments at fair value through other comprehensive income

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Quoted investment (fully paid up)				
Asahi India Glass Limited (Face value of ₹ 1 each)	26,995,200	7,062	26,995,200	8,975
JTEKT India Limited (Formerly known as Sona Koyo Steering Systems Limited) (Face value of ₹ 1 each)	13,800,000	1,515	13,800,000	1,359
Total aggregate quoted investment (i)		**8,577**		**10,334**

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Unquoted investment (fully paid up)				
Denso India Private Limited (Face value of ₹ 10 each)	2,862,758	448	2,862,758	436
Total aggregate unquoted investment (ii)		**448**		**436**
Investment in equity shares of Section 8 Company				
International Automobile Centre of Excellence (Face value of ₹ 10 each)	100,000	1	100,000	1
Investment in equity shares of Section 8 Company (iii)		**1**		**1**
Investment in other equity instruments [i+ii+iii]		**9,026**		**10,771**

6.5 Investment in unquoted preference shares

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Western Paques (India) Limited (Face value of ₹ 100 each)	500,000	50	500,000	50
Less: Provision for diminution in value		(50)		(50)
Total investment in unquoted preference shares		**-**		**-**

6.6 Investment in unquoted debt mutual funds*

	As at 31.03.2019		As at 31.03.2018	
	Current	Non Current	Current	Non Current
Fixed Term Debt Maturity Plans	7,209	31,155	12,173	20,129
Open Ended Debt Schemes	43,246	273,200	-	308,518
Total investment in unquoted debt mutual funds	**50,455**	**304,355**	**12,173**	**328,647**

*Includes Debt mutual funds earmarked for Employee Welfare Fund as at 31.03.2019 : ₹ 808 million (as at 31.03.2018 : Nil)

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

7 Loans (unsecured and considered good, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Non Current		
Employee related loans and advances	1	1
Inter corporate deposits- unsecured considered doubtful	125	125
Provision for doubtful Intercorporate deposits	(125)	(125)
Others	1	1
	2	**2**
Current		
Employee related loans and advances	160	30
	160	**30**

8 Trade Receivables

	As at 31.03.2019	As at 31.03.2018
Unsecured - considered good	23,104	14,618
- considered doubtful	24	24
Provision for doubtful debts	(24)	(24)
	23,104	**14,618**

8.1 The credit risk to the Company is limited since most of the sales are made against advances or letter of credit/ bank guarantees from banks of national standing. The credit period generally allowed on domestic sales varies from 30 to 45 days (excluding transit period). The credit period on export sales varies on case to case basis, based on market conditions.

	As at 31.03.2019	As at 31.03.2018
Age of receivables		
Within the credit period	22,198	13,962
1-90 days past due	837	502
91-180 days past due	37	86
More than 180 days past due	32	68
	23,104	**14,618**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

9 Other Financial Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Non-current		
Financial assets carried at amortised cost		
Security deposits	212	196
Others	128	128
	340	**324**
Current		
Financial assets carried at amortised cost		
Interest accrued - secured	1	1
- unsecured	21	21
Recoverable from related parties	4,708	2,464
Others - considered good	162	251
- considered doubtful	28	-
Less: provision for doubtful assets	(28)	-
Financial assets carried at fair value		
Foreign currency and commodity forward contract not qualifying or not designated in hedge accounting relationships	72	109
	4,964	**2,846**

10 Inventories

	As at 31.03.2019	As at 31.03.2018
Inventories (lower of cost and net realisable value)		
Raw materials	17,658	14,418
Work-in-progress	2,995	1,772
Finished goods manufactured		
Vehicle	5,683	9,700
Vehicle spares and components	454	363
Traded goods		
Vehicle	85	-
Vehicle spares and components	3,344	2,834
Stores and spares	1,894	1,475
Loose Tools	1,144	1,046
	33,257	**31,608**
Inventory includes in transit inventory of:		
Raw materials	4,149	3,701
Stock in trade	49	53

10.1 The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 673,306 million (previous year ₹ 614,876 million).

The cost of inventories recognised as an expense includes ₹ 119 million (previous year ₹ 152 million) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 2.15.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

11 Cash And Bank Balances

	As at 31.03.2019	As at 31.03.2018
Cash and cash equivalents:		
Balances with Banks	889	161
Cheques, drafts in hand	880	37
Cash in hand	1	1
Deposits (less than 3 months orignial maturity period)	-	500
	1,770	**699**
Other bank balances:		
Unclaimed dividend accounts	19	12
	1,789	**711**
Cash and cash equivalents as per cash flow statement	**1,770**	**699**

12 Other Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Non-current		
Capital advances - considered good*	4,295	6,573
Prepaid expenses and leases	7,730	5,481
Amount paid under protest / dispute	7,395	6,411
Claims - unsecured considered good	58	96
- unsecured considered doubtful	27	27
Less : provision for doubtful claims	(27)	(27)
Others	1,108	22
	20,586	**18,583**
Current		
Balance with customs, port trust and other Government authorities	585	2,363
Claims	848	1,084
Prepaid expenses and leases	769	576
Balance with related parties	1,948	5,815
Others - considered good	1,463	3,281
- considered doubtful	238	104
Less: provisions for doubtful balances	(238)	(104)
	5,613	**13,119**

* Includes capital advance given to related parties as at 31.03.2019 ₹ 444 million (as at 31.03.2018: ₹ 1,020 million).

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

13 Equity Share Capital

	As at 31.03.2019	As at 31.03.2018
Authorised share capital:		
3,751,000,000 equity shares of ₹ 5 each (as at 31.03.18: 3,751,000,000 equity shares of ₹ 5 each)	18,755	18,755
Issued, subscribed and fully paid up share capital comprises:		
302,080,060 equity shares of ₹ 5 each (as at 31.03.18: 302,080,060 equity shares of ₹ 5 each)	1,510	1,510
	1,510	**1,510**

13.1 Rights, preference and restriction attached to shares

The Company has one class of equity shares having a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

13.2 Reconciliation of number of shares

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of year	302,080,060	1,510	302,080,060	1,510
Balance as at the end of year	302,080,060	1,510	302,080,060	1,510

13.3 Details of shares held by the holding company

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	Amount	Number of shares	Amount
Suzuki Motor Corporation, Japan	169,788,440	849	169,788,440	849
	169,788,440	**849**	**169,788,440**	**849**

13.4 Details of shares held by each shareholder holding more than 5% shares

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	% holding	Number of shares	% holding
Suzuki Motor Corporation (the holding company)	169,788,440	56.21	169,788,440	56.21
Life Insurance Corporation of India	20,192,659	6.68	15,589,504	5.16

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

14 Other Equity

	As at 31.03.2019	As at 31.03.2018
General reserve	29,309	29,309
Securities premium	4,241	4,241
Reserve created on amalgamation	9,153	9,153
Retained earnings	407,016	363,008
Employee welfare fund	808	-
Scientific research fund	772	-
Reserve for equity instruments through other comprehensive income	8,606	10,353
Cash flow hedging reserve	-	(1)
	459,905	**416,063**

14.1 General reserve

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	29,309	29,309
Balance at the end of year	**29,309**	**29,309**

The general reserve is free reserve which is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

14.2 Securities premium

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	4,241	4,241
Balance at the end of year	**4,241**	**4,241**

Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 ("the Act") for specified purposes.

14.3 Reserve created on amalgamation

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	9,153	9,153
Balance at the end of year	**9,153**	**9,153**

This reserve was created on the basis of the scheme of amalgamation of erstwhile Suzuki Powertrain India Limited (SPIL) with the Company as approved by the High Court of Delhi in the year ended 31st March 2013.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

14.4 Retained earnings

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	363,008	313,189
Profit for the year	75,006	77,218
Other comprehensive income arising from remeasurement of defined benefit obligation *	(284)	(131)
Amount transferred to Employee welfare fund	(772)	-
Income on funds earmarked for Employee welfare fund	(36)	-
Amount transferred to Scientific research fund	(772)	-
Payment of dividend on equity shares	(24,166)	(22,656)
Tax on dividend	(4,968)	(4,612)
Balance at the end of year	**407,016**	**363,008**

During the year, a dividend of ₹ 80 per share, total dividend ₹ 24,166 million (previous year : ₹ 75 per share, total dividend ₹ 22,656 million) was paid to equity shareholders.

The Board of Directors recommended a final dividend of ₹ 80 per share (nominal value of ₹ 5 per share) for the financial year 2018-19. This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these financial statements. The total expected amount of cash outflow is ₹ 29,134 million including dividend distribution tax of ₹ 4,968 million.

* net of income tax of ₹ 151 million (previous year ₹ 65 million)

14.5 Reserve for equity instruments through other comprehensive income

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	10,353	6,909
Net fair value gain/(loss) on investment in equity instruments at FVTOCI	(1,745)	3,470
Income tax on net fair value gain/(loss) on investments in equity instruments at FVTOCI	(2)	(26)
Balance at the end of year	**8,606**	**10,353**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

14.6 Cash flow hedging reserve

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	(1)	-
Recognised / (released) during the year	2	(2)
Income tax related to above	(1)	1
Balance at the end of year	**-**	**(1)**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedging item.

14.7 Employee Welfare Fund

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	-	-
Addition during the year	772	-
Income on funds earmarked for Employee welfare fund	36	-
Balance at the end of year	**808**	**-**

This reserve is created by appropriating 1% of profit after tax of the previous year and will be utilised for undertaking welfare activities such as housing, education and health for the employees of the Company. No expenditure has been done from this fund during the current year.

14.8 Scientific Research Fund

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	-	-
Movement	772	-
Balance at the end of year	**772**	**-**

This reserve is created by appropriating 1% of profit after tax of the previous year and will be utilised for promotion of scientific research and technology in India. No expenditure has been done from this fund during the current year.

15 Borrowings

	As at 31.03.2019	As at 31.03.2018
Current		
Unsecured		
Loans repayable on demand from banks - cash credit and overdraft	1,496	1,108
	1,496	**1,108**

15.1 Summary of borrowing arrangements

Loan repayable on demand from banks (Cash credit and Overdraft) amounting to ₹ 1,496 million at an interest rate of 7.60% to 8.75%, repayable within 0-10 days (as at 31.03.18: ₹ 1,108 million at an interest rate of 8.30% to 8.70%, repayable within 0-3 days)

15.2 Breach of loan agreement

There has been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

16 Other Financial Liabilities

	As at 31.03.2019	As at 31.03.2018
Current		
Financial liabilities carried at amortised cost		
Payables to capital creditors	6,411	9,881
Deposits from dealers, contractors and others	7,020	2,862
Interest accrued on security deposits	46	20
Unpaid dividend*	19	12
Book overdraft	898	548
Others	6	13
Derivatives designated and effective as hedging instruments carried at fair value		
Foreign currency forward contract designated in hedge accounting relationships	-	2
	14,400	**13,338**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013.

17 Provisions

	As at 31.03.2019	As at 31.03.2018
Non-current		
Provisions for employee benefits		
Provision for retirement allowance	72	66
Other provisions		
Provision for warranty & product recall	323	199
	395	**265**
Current		
Provisions for employee benefits		
Provision for retirement allowance	3	3
Provision for compensated absences	3,512	2,916
Other provisions		
Provision for litigation / disputes	2,151	2,118
Provision for warranty & product recall	578	563
	6,244	**5,600**

Details of other provisions

	Litigation / Dispute		Warranty / Product recall	
	2018-2019	2017-2018	**2018-2019**	2017-2018
Balance as at the beginning of year	2,118	1,734	762	369
Addition during the year	71	455	1,111	1,243
Utilised during the year	-	-	972	850
Reversed during the year	38	71	-	-
Balance as at the end of year	**2,151**	**2,118**	**901**	**762**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Litigation / Dispute		Warranty / Product recall	
	31.03.2019	31.03.2018	**31.03.2019**	31.03.2018
Classified as long term	-	-	323	199
Classified as short term	2,151	2,118	578	563
Total	**2,151**	**2,118**	**901**	**762**

Provisions for employee benefits

The provision for employee benefits include compensated absences and retirement allowance.

Provision for warranty and product recall

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims will arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Provision for litigation / disputes

In the ordinary course of business, the Company faces claims by various parties. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable (also refer to note 38).

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

18 Deferred tax Balances

The following is the analysis of deferred tax assets / (liabilities) presented in the standalone balance sheet

	As at 31.03.2019	As at 31.03.2018
Deferred tax assets	2,525	3,183
Deferred tax liabilities	8,165	8,772
Net deferred tax liabilities	**5,640**	**5,589**

2017-18	Opening Balance	Recognised in profit or loss	Recognised in OCI	Adjustments*	Closing Balance
Deferred tax assets					
Deferred revenue	2,092	(898)	-	-	1,194
Capital loss carry forwards#	1,771	(56)	-	(1,715)	-
Expenses deductible in future years	1,661	(147)	-	54	1,568
Provision for litigation / dispute	256	4	-	(56)	204
Provision for doubtful debts / advances	88	11	-	-	99
Others	166	(14)	65	(99)	118
	6,034	**(1,100)**	**65**	**(1,816)**	**3,183**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	4,775	(1,217)	-	(188)	3,370
Investment in debt mutual funds	4,168	(170)	-	-	3,998
Investment in equity instruments	28	-	26	-	54
Other current & non-current assets	1,725	(392)	-	18	1,351
Cashflow hedges	-	-	(1)	-	(1)
	10,696	**(1,779)**	**25**	**(170)**	**8,772**
Net deferred tax liabilities	**4,662**	**(679)**	**(40)**	**1,646**	**5,589**
2018-19					
Deferred tax assets					
Deferred revenue	1,194	(897)	-	-	297
Expenses deductible in future years	1,568	294	-	(202)	1,660
Provision for litigation / dispute	204	25	-	133	362
Provision for doubtful debts / advances	99	46	-	-	145
Others	118	(256)	151	48	61
	3,183	**(788)**	**151**	**(21)**	**2,525**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	3,370	(775)	-	14	2,609
Investment in debt mutual funds	3,998	278	-	-	4,276
Investment in equity instruments	54	-	2	-	56
Other current & non-current assets	1,351	36	-	(163)	1,224
Cashflow hedges	(1)	-	1	-	-
	8,772	**(461)**	**3**	**(149)**	**8,165**
Net deferred tax liabilities	**5,589**	**327**	**(148)**	**(128)**	**5,640**

* On account of reclassification to/from "Deferred Tax" from/to "Provision for Taxation"

Deferred tax asset on capital loss carry forwards was recognised as it is probable that future taxable profit will be available on gain on investment in debt mutual funds, against which the tax losses can be utilised.

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

19 Other Liabilities

	As at 31.03.2019	As at 31.03.2018
Non-current		
Contract Liabilities (Deferred revenue)	20,365	15,853
	20,365	**15,853**
Current		
Advance from customers	4,158	11,506
Contract Liabilities (Deferred revenue)	6,457	4,651
Statutory dues	5,689	4,707
	16,304	**20,864**

Note:

During the year the company has recognised revenue of ₹ 4,651 million which was included in the Contract Liability balance as on 1st April, 2018.

20 Trade Payables

	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of micro and small enterprises	682	711
Total outstanding dues of creditors other than micro and small enterprises	95,648	104,259
	96,330	**104,970**

20.1 Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

		As at 31.03.2019	As at 31.03.2018
a.	Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end		
	- Principal	682	711
	- Interest due thereon	4	-
b.	Payments made to suppliers beyond the appointed day during the year		
	- Principal	2,888	-
	- Interest paid thereon	1	-
c.	Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	30	-
d.	Amount of interest accrued and remaining unpaid as at year end	34	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

21 Current Tax

	As at 31.03.2019	As at 31.03.2018
Current tax assets		
Taxes paid (Net)	4,274	4,109
Current tax liabilities		
Income tax payable (Net)	6,729	8,541

22 Revenue from Operations

	Year ended 31.03.2019	Year ended 31.03.2018
Sale of products (including excise duty*)		
Vehicles	747,715	731,314
Spare parts / dies and moulds / components	82,550	72,051
	830,265	**803,365**
Other operating revenues		
Income from services	10,332	5,231
Sale of scrap	5,705	4,986
Recovery of freight & service charges	11,631	3,094
Liabilities no longer required written back	53	852
Rental income	337	427
Others	1,880	1,989
	29,938	**16,579**
	860,203	**819,944**

* Refer to note - 39

Refer to note 8.1 for payment terms with customers.

Revenue from contract with customers is disaggregated by geographical region and presented in Note 30.

Reconciliation of revenue recognised with contract price:

	Year ended 31.03.2019	Year ended 31.03.2018
Contract price (Gross)	901,799	854,878
Adjustments for:		
Discount & Incentives as per contract/scheme bulletins	(41,596)	(34,934)
Revenue From Operations	**860,203**	**819,944**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

23 Other Income

	Year ended 31.03.2019	Year ended 31.03.2018
Interest income on		
Bank deposits	168	6
Income tax refund	502	330
Receivables from dealers	546	337
Others	20	6
	1,237	**679**
Dividend income		
Dividend from equity investments	91	200
	91	**200**
Others		
Net gain on sale of investments in debt mutual funds	1,601	964
Fair valuation gain on investment in debt mutual funds	22,681	18,612
	24,282	**19,576**
	25,610	**20,455**

24 Material Consumed

24.1 Cost of materials consumed

	Year ended 31.03.2019	Year ended 31.03.2018
Raw material inventory at the beginning of year	14,418	13,681
Add: Purchases during the year	453,479	450,150
Less: Raw material inventory at the end of year	17,658	14,418
	450,239	**449,413**

24.2 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31.03.2019	Year ended 31.03.2018
Opening balances		
Work in progress	1,772	1,546
Finished goods manufactured		
Vehicle	9,700	12,330
Vehicle spares and components	363	481
Traded goods		
Vehicle spares and components	2,834	2,591
	14,669	**16,948**
Closing balances		
Work in progress	2,995	1,772
Finished goods manufactured		
Vehicle	5,683	9,700
Vehicle spares and components	454	363
Traded goods		
Vehicle	85	-
Vehicle spares and components	3,344	2,834
	12,561	**14,669**
Excise duty on increase / (decrease) of finished goods	-	(1,872)
	2,108	**407**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

25 Employee Benefits Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Salaries and wages	28,704	24,941
Contribution to provident and other funds	1,438	1,311
Staff welfare expenses	2,407	2,086
	32,549	**28,338**

26 Finance Costs

	Year ended 31.03.2019	Year ended 31.03.2018
Interest costs:		
Cash credit and overdrafts	244	280
Deposits from dealers, contractors and others	505	629
Interest on enhanced compensation for land	9	2,548
	758	**3,457**

27 Depreciation and Amortisation Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Depreciation of property, plant and equipment	28,911	26,456
Amortisation of intangible assets	1,278	1,123
	30,189	**27,579**

28 Other Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Consumption of stores (refer to note 44)	2,093	2,362
Power and fuel [net of amount recovered ₹ 832 million (previous year ₹ 789 million)]	8,617	6,719
Rent (refer to note 35)	5,333	3,240
Repair and maintenance: plant and machinery	2,741	2,220
Repair and maintenance: building	582	560
Repair and maintenance: others	558	467
Insurance	168	163
Rates, taxes and fees	148	430
Royalty	37,926	37,672
Tools / machinery spares charged off	4,009	3,806
Exchange variation on foreign currency transactions (net)	1,784	909
Advertisement	7,338	8,686
Sales promotion	8,368	8,384
Warranty and product recall	1,111	1,243
Transportation and distribution expenses	16,401	7,684
Net loss on sale / discarding of property, plant and equipment	531	545
Corporate social responsibility expenses	1,541	1,251
Other miscellaneous expenses *	17,091	13,574
	116,340	**99,915**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operation

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Note on Corporate Social Responsibility

Gross amount required to be spent by the Company during the year was ₹ 1,535 million as per Section 135 of the Companies Act, 2013.

Amount spent during the year on:

	Year ended 31.03.2019	Year ended 31.03.2018
(i) Construction / acquisition of any asset		
- in cash	-	-
- yet to be paid in cash	-	-
	-	**-**
(ii) On purpose other than above		
- in cash	1,541	1,251
	1,541	**1,251**
(i) + (ii)	**1,541**	**1,251**

29 Income Taxes

29.1 Income tax recognised in profit or loss

	Year ended 31.03.2019	Year ended 31.03.2018
Current tax		
In respect of the current year	30,771	33,659
In respect of prior years	(1,448)	(164)
	29,323	**33,495**
Deferred tax		
In respect of the current year	327	(679)
	327	**(679)**
Total income tax expense recognised in the current year	**29,650**	**32,816**

The income tax expense for the year can be reconciled to the accounting profit as follows

	Year ended 31.03.2019	Year ended 31.03.2018
Profit before tax	**104,656**	**110,034**
Tax at the Indian Tax Rate of 34.944% (previous year 34.608%)	36,571	38,081
Weighted deduction for research and development expenses	(1,394)	(1,375)
Differential tax rate on fair value gain on investments	556	(2,330)
Differential tax rate on capital gain on sale of investments	(4,993)	(1,621)
Effect of expenses that are not deductible in determining taxable profit	355	236
Others	3	(11)
	31,098	**32,980**
Adjustments recognised in the current year in relation to the current tax of prior years	(1,448)	(164)
Income tax expenses recognised in profit or loss	**29,650**	**32,816**

The tax rate used for the current year reconciliation above is the corporate tax rate of 34.944% (previous year 34.608%) payable by corporate entities in India on taxable profits under the Indian tax law.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

29.2 Income tax recognised in other comprehensive income

	Year ended 31.03.2019	Year ended 31.03.2018
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Net fair value gain on investment in equity shares at FVTOCI	(2)	(26)
Net gain on designated portion of hedging instruments in cash flow hedges	(1)	1
Remeasurement of defined benefit obligation	151	65
Total income tax recognised in other comprehensive income	**148**	**40**
Bifurcation of the income tax recognised in other comprehensive income into : -		
Items that will not be reclassified to profit or loss	149	39
Items that may be reclassified to profit or loss	(1)	1
	148	**40**

30 Segment Information

The Company is primarily in the business of manufacturing, purchase and sale of motor vehicles, components and spare parts ("automobiles"). The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing. The income from these activities is not material in financial terms but such activities contribute significantly in generating demand for the products of the Company.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company.

30.1 Entity wide disclosure

	Domestic	Overseas	Total
Revenue from operations			
2018-19	802,897	57,306	**860,203**
2017-18	761,736	58,208	**819,944**
Non current segment assets			
As at 31.03.2019	174,374	-	**174,374**
As at 31.03.2018	161,422	-	**161,422**

a) Domestic information includes sales and services to customers located in India.
b) Overseas information includes sales and services rendered to customers located outside India.
c) Non-current segment assets includes property, plant and equipment, capital work in progress, intangible assets and capital advances

31 Earnings Per Share

	Year ended 31.03.2019	Year ended 31.03.2018
Basic earnings per share (₹)	248.30	255.62
Diluted earnings per share (₹)	248.30	255.62
Profit attributable to the equity holders of the Company used in calculating basic earning per share and diluted earning per share	75,006	77,218
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (numbers)	302,080,060	302,080,060

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

32 Employee Benefit Plans

The various benefits provided to employees by the Company are as under:

A. Defined contribution plans

a) Superannuation fund

b) Post employment medical assistance scheme

c) Employers contribution to Employee State Insurance Act 1948

d) Employers contribution to Employee's Pension Scheme 1995

During the year the Company has recognised the following amounts in the statement of profit and loss:

	Year ended 31.03.2019	Year ended 31.03.2018
Employers contribution to Superannuation Fund *	120	82
Employers contribution on Post Employment Medical Assistance Scheme *	10	10
Employers contribution to Employee State Insurance *	58	72
Employers contribution on Employee's Pension Scheme 1995 *	271	268

* Included in 'Contribution to provident and other funds'

B. Defined benefit plans and other long term benefits

a) Contribution to Gratuity Funds - Employee's Gratuity Fund

b) Leave encashment / compensated absence

c) Retirement allowance

d) Provident fund

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The probability or likelihood of lower returns as compared to the expected return on any particular investment.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.19				
Discount rate(s)	8.65%	7.70%	7.70%	7.70%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	25	25	25	25
As at 31.03.18				
Discount rate(s)	8.55%	7.80%	7.80%	7.80%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	25	25	25	25

Components of expenses recognised in the statement of profit or loss in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.19				
Current service cost	701	370	278	14
Past service cost	-	-	-	-
Actuarial Loss / (gain)	-	577	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	220	-	5
Expenses recognised in profit or loss	**701**	**1,167**	**278**	**19**
Year ended 31.03.18				
Current service cost	551	326	127	12
Past service cost	-	-	201	-
Actuarial Loss / (gain)	-	288	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	187	-	5
Expenses recognised in profit or loss	**551**	**801**	**328**	**17**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Components of expenses recognised in the other comprehensive income in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.19				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	53	1
- experience variance	-	-	421	(14)
- others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	(26)	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**448**	**(13)**
Year ended 31.03.18				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	(74)	(1)
- experience variance	-	-	225	(13)
- others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	59	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**210**	**(14)**

The current service cost and the interest expense for the year are included in the 'Employee benefits expense' in the profit or loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.19				
Present value of obligation	19,439	3,512	3,705	75
Fair value of plan assets	20,079	-	3,705	-
Surplus / (deficit)	**640**	**(3,512)**	**-**	**(75)**
Effects of asset ceiling, if any *	640	-	-	-
Net asset / (liability)	**-**	**(3,512)**	**-**	**(75)**
As at 31.03.18				
Present value of obligation	16,672	2,916	2,906	69
Fair value of plan assets	17,292	-	2,906	-
Surplus / (deficit)	**620**	**(2,916)**	**-**	**(69)**
Effects of asset ceiling, if any *	620	-	-	-
Net asset / (liability)	**-**	**(2,916)**	**-**	**(69)**

* The Company has an obligation to make good the shortfall, if any.

Classification into long term and short term:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.19				
Classified as long term	-	-	-	72
Classified as short term	-	3,512	-	3
Total	**-**	**3,512**	**-**	**75**
As at 31.03.18				
Classified as long term	-	-	-	66
Classified as short term	-	2,916	-	3
Total	**-**	**2,916**	**-**	**69**

Movement in the present value of the defined benefit obligation are as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.19				
Present value of obligation as at the beginning	**16,672**	**2,916**	**2,906**	**69**
Current service cost	701	370	278	14
Interest expense or cost	1,517	220	227	5
Employees' contribution	1,864	-	-	-
Transfer in	17	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	22	53	1
- experience variance	-	555	421	(14)
- others	-	-	-	-
Past service cost	-	-	-	-
Benefits paid	(1,332)	(571)	(180)	-
Present value of obligation as at the end	**19,439**	**3,512**	**3,705**	**75**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.18				
Present value of obligation as at the beginning	**13,938**	**2,540**	**2,371**	**66**
Current service cost	551	326	127	12
Interest expense or cost	1,300	187	180	5
Employees' contribution	1,542	-	-	-
Transfer in	10	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	(36)	(74)	(1)
- experience variance	-	324	225	(13)
- others	-	-	-	-
Past service cost	-	-	201	-
Benefits paid	(669)	(425)	(124)	-
Present value of obligation as at the end	**16,672**	**2,916**	**2,906**	**69**

Movement in the fair value of the plan assets are as follows:

	Provident Fund	Employees Gratuity Fund
Year ended 31.03.19		
Fair value of plan assets at the beginning	**17,292**	**2,906**
Interest income	1,479	227
Employer's contribution	701	726
Employee's contribution	1,864	-
Transfer in	75	-
Benefits paid	(1,332)	(180)
Actuarial Gain/(Loss) on Plan Assets	-	26
Fair value of plan assets as at the end	**20,079**	**3,705**
Year ended 31.03.18		
Fair value of plan assets at the beginning	**14,247**	**2,371**
Interest income	1,232	180
Employer's contribution	551	538
Employee's contribution	1,542	-
Transfer in	10	-
Benefits paid	(669)	(124)
Actuarial Gain/(Loss) on Plan Assets	379	(59)
Fair value of plan assets as at the end	**17,292**	**2,906**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Major categories of plan assets (as percentage of total plan assets)

	Provident Fund	Employees Gratuity Fund
As at 31.03.19		
Government Securities (Central & State)	46%	0%
Corporate bonds	47%	0%
Equity Mutual Funds	5%	0%
Fund managed by insurer (including ULIP)	0%	84%
Special deposit scheme	1%	0%
Cash & cash equivalents	1%	16%
Total	**100%**	**100%**
As at 31.03.18		
Government Securities (Central & State)	46%	0%
Corporate bonds	46%	0%
Equity Mutual Funds	2%	0%
Fund managed by insurer (including ULIP)	0%	84%
Special deposit scheme	2%	0%
Cash & cash equivalents	4%	16%
Total	**100%**	**100%**

The fair value of the above ULIP schemes are determined based on the Net Asset Value (NAV). Moreover, for other investments the fair value is taken as per the account statements of the insurance companies.

The average duration of the defined benefit obligation of gratuity fund at 31.03.19 is 14 years (as at 31.03.18: 14 years).

The Company expects to make a contribution of ₹ 305 million (as at 31.03.18: ₹ 173 million) to the defined benefit plans during the next financial year.

Sensitivity analysis

Significant actuarial assumption for the determination of defined obligation are discount rate, expected salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant.

If the discount rate increases (decreases) by 1%, the defined benefit obligation would decrease by ₹ 663 million (increase by ₹ 789 million) (As at 31.03.18: decrease by ₹ 508 million (increase by ₹ 604 million)).

If the expected salary growth rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 740 million (decrease by ₹ 638 million) (As at 31.03.18: increase by ₹ 567 million (decrease by ₹ 490 million)).

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

33 Financial Instruments and Risk Management

33.1 Financial instruments by category

	As at 31.03.2019				As at 31.03.2018			
	FVTPL	FVOCI	Amortised cost	Total Carrying Value	FVTPL	FVOCI	Amortised cost	Total Carrying Value
Financial assets								
Investments *								
- in equity instruments	-	9,026	-	9,026	-	10,771	-	10,771
- in debt mutual funds	354,810	-	-	354,810	340,820	-	-	340,820
Trade Receivable	-	-	23,104	23,104	-	-	14,618	14,618
Cash and bank balances	-	-	1,789	1,789	-	-	711	711
Loans	-	-	162	162	-	-	32	32
Security deposits	-	-	212	212	-	-	196	196
Foreign currency / commodity forward contracts	72	-	-	72	109	-	-	109
Interest accrued	-	-	22	22	-	-	22	22
Recoverable from related parties	-	-	4,708	4,708	-	-	2,464	2,464
Others	-	-	290	290	-	-	379	379
Total financial assets	**354,882**	**9,026**	**30,287**	**394,195**	**340,929**	**10,771**	**18,422**	**370,122**
Financial liabilities								
Borrowings	-	-	1,496	1,496	-	-	1,108	1,108
Trade payables	-	-	96,330	96,330	-	-	104,970	104,970
Deposits from dealers, contractors and others	-	-	7,020	7,020	-	-	2,862	2,862
Payable to capital creditors	-	-	6,411	6,411	-	-	9,881	9,881
Interest accrued	-	-	46	46	-	-	20	20
Unpaid dividend	-	-	19	19	-	-	12	12
Book overdraft	-	-	898	898	-	-	548	548
Foreign currency / commodity forward contracts	-	-	-	-	-	2	-	2
Others	-	-	6	6	-	-	13	13
Total financial liabilities	**-**	**-**	**112,226**	**112,226**	**-**	**2**	**119,414**	**119,416**

* Investment value excludes investment in subsidiaries of ₹ 77 million (as at 31.03.2018 : ₹ 77 million); investment in joint ventures of ₹ 152 million (as at 31.03.2018 : ₹ 152 million) and investment in associates of ₹ 1,085 million (as at 31.03.2018 : ₹ 1,082 million) which are shown at cost in balance sheet as per Ind AS 27 : Separate Financial Statements.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31.03.2019	Notes No	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	316,446	38,364	-	**354,810**
Foreign currency / commodity forward contracts	9	-	72	-	**72**
Financial instruments at FVTOCI					
Quoted equity instruments	6	8,577	-	-	**8,577**
Unquoted equity instruments	6	-	-	449	**449**
Total financial assets		**325,023**	**38,436**	**449**	**363,908**

As at 31.03.2018	Notes No	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	308,518	32,302	-	**340,820**
Foreign currency / commodity forward contracts	9	-	109	-	**109**
Financial instruments at FVTOCI					
Quoted equity instruments	6	10,334	-	-	**10,334**
Unquoted equity instruments	6	-	-	437	**437**
Total financial assets		**318,852**	**32,411**	**437**	**351,700**
Financial liabilities					
Financial instruments at FVTOCI					
Foreign currency / commodity forward contracts	16	-	2	-	**2**
		-	**2**	**-**	**2**

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Derivative contracts: The Company has entered into variety of foreign currency and commodity forward contracts and swaps to manage its exposure to fluctuations in foreign exchange rates and commodity price risk. These financial exposures are managed in accordance with the Company’s risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

	Unlisted equity instruments
As at 01.04.2017	**317**
Acquisition	-
Gains/(losses) recognised	
- in other comprehensive income	120
As at 31.03.2018	**437**
Acquisition	-
Gains/(losses) recognised	
- in other comprehensive income	12
As at 31.03.2019	**449**

33.2 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Business commitment and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

The financial risk management of the Company is carried out under the policies approved by the Board of Directors. Within these policies, the Board provides written principles for overall risk management including policies covering specific areas, such as foreign exchange risk management, commodity risk management and investment of funds.

(A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables, loans and advances and derivative instruments. None of the financial instruments of the Company results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

	Notes No	As at 31.03.2019	As at 31.03.2018
Loans - non current	7	125	125
Trade receivables	8	24	24
Other financial assets - current	9	28	-

Other than financial assets mentioned above, none of the financial assets were impaired and there were no indications that defaults in payment obligations would occur.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Company operates with a low Debt Equity ratio. The Company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk. The Company has access to the borrowing facilities of ₹ 30,000 million as at 31.03.2019 (₹ 29,850 million as at 31.03.2018) to honour any liquidity requirements arising for business needs. The Company has large investments in debt mutual funds which can be redeemed on a very short notice and hence carries negligible liquidity risk.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(i) Financing arrangements

The Company had access to the following borrowing facilities at the end of the reporting period:

	As at 31.03.2019	As at 31.03.2018
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	30,000	29,850
- Expiring beyond one year (bank loans)	-	-
	30,000	**29,850**

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

	Less than 1 year	More than 1 year	Total
As at March 31, 2019			
Borrowings	1,496	-	1,496
Trade payables	96,330	-	96,330
Other financial liabilities	14,400	-	14,400
	112,226	**-**	**112,226**
As at March 31, 2018			
Borrowings	1,108	-	1,108
Trade payables	104,970	-	104,970
Other financial liabilities	13,338	-	13,338
	119,416	**-**	**119,416**

(C) Market risk

(i) Foreign currency risk

The Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the foreign currency risk management policy approved by the Board of Directors. The Company enters into derivative financial instruments to mitigate the foreign currency risk and interest rate risk including,

a) forward foreign exchange and options contracts for foreign currency risk mitigation

b) foreign currency interest rate swaps to mitigate foreign currency & interest rate risk on foreign currency loan.

Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in INR, are as follows:

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(In Millions)

As at March 31, 2019	JPY	USD	EURO	GBP	SGD	CHF
Financial assets						
Trade receivables	5,102	3,141	68	-	-	-
Foreign exchange derivative contracts	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**5,102**	**3,141**	**68**	**-**	**-**	**-**
Financial liabilities						
Trade payables and other financial liabilites	15,313	1,532	614	22	-	1
Foreign exchange derivative contracts	(4,440)	-	(614)	-	-	-
Net exposure to foreign currency risk (liabilities)	**10,873**	**1,532**	**-**	**22**	**-**	**1**

(In Millions)

As at March 31, 2018	JPY	USD	EURO	GBP	SGD	CHF
Financial assets						
Trade receivables	2,700	2,600	71	-	-	-
Foreign exchange derivative contracts	-	(776)	-	-	-	-
Net exposure to foreign currency risk (assets)	**2,700**	**1,824**	**71**	**-**	**-**	**-**
Financial liabilities						
Trade payables and other financial liabilites	17,991	1,899	1,327	4	155	-
Foreign exchange derivative contracts	(5,173)	-	(758)	-	-	-
Net exposure to foreign currency risk (liabilities)	**12,818**	**1,899**	**569**	**4**	**155**	**-**

Foreign currency sensitivity analysis

The Company is mainly exposed to JPY, USD and EURO.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

	Year ended 31.03.2019		Year ended 31.03.2018	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Impact on profit or loss for the year				
JPY impact	1,021	(1,021)	1,529	(1,529)
USD Impact	(161)	161	(70)	70
EURO Impact	55	(55)	126	(126)

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(ii) Security price risk

Exposure in equity

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as fair value through OCI.

Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher / lower:

Other comprehensive income for the year ended 31st March 2019 would increase / decrease by ₹ 451 million (for the year ended 31st March 2018: increase / decrease by ₹ 539 million) as a result of the change in fair value of equity investment measured at FVTOCI.

Exposure in mutual funds

The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investments.

Mutual fund price sensitivity analysis

The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the reporting period.

If NAV had been 1% higher / lower:

Profit for year ended 31.03.2019 would increase / decrease by ₹ 3,548 million (for the year ended 31.03.2018 by ₹ 3,408 million) as a result of the changes in fair value of mutual fund investments.

33.3 Capital management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company has large investments in debt mutual fund schemes wherein underlying portfolio is spread across securities issued by different issuers having different credit ratings. The credit risk of investments in debt mutual fund schemes is managed through investment policies and guidelines requiring adherence to stringent credit control norms based on external credit ratings. The credit quality of the entire portfolio investments is monitored on a quarterly basis. The Company's overall strategy remains unchanged from previous year.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The following table provides detail of the debt and equity at the end of the reporting period :

	As at 31.03.2019	As at 31.03.2018
Borrowings	1,496	1,108
Cash and cash equivalents	(1,770)	(699)
Net debt	**(274)**	**409**
Total equity	461,415	417,573
Net debt to equity ratio	-	0.001

The Company is not subject to any externally imposed capital requirements.

33.4 Foreign exchange derivative contract

The Company follows a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered necessary from time to time. Depending on the future outlook on currencies, the Company may keep the exposures unhedged or hedged only as a part of the total exposure.

The Company does not enter into a foreign exchange derivative transactions for speculative purposes.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	Avg. Exchange Rate	Foreign Currency	Nominal Amount	Fair value asset / (liabilities)
Cash flow hedges				
Sell USD (Less than 3 months)				
31.03.2019	-	-	-	-
31.03.2018	65.18	12	785	(2)

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

34 Related Party Transactions

34.1 Description of related parties

Holding Company	Associates
Suzuki Motor Corporation, Japan (SMC)	Bharat Seats Limited
	Caparo Maruti Limited
Subsidiaries	Jay Bharat Maruti Limited
J.J. Impex (Delhi) Private Limited	Krishna Maruti Limited
True Value Solutions Limited	Machino Plastics Limited
	SKH Metals Limited
Joint Ventures	Nippon Thermostat (India) Limited
Magneti Marelli Powertrain India Private Limited	Bellsonica Auto Component India Private Limited
Plastic Omnium Auto Inergy Manufacturing India Private Limited	Mark Exhaust Systems Limited
	FMI Automotive Components Private Limited
	Maruti Insurance Broking Private Limited
Post Retirement Benefit Plans	Manesar Steel Processing India Private Limited
Maruti Suzuki India Limited - Employees Group Gratuity Fund	Hanon Climate Systems India Private Limited
Maruti Suzuki India Limited - Employees Provident Fund Trust	Bahucharaji Rail Corporation Limited
Maruti Suzuki India Limited - Employees Superannuation Fund	

Fellow Subsidiaries (only with whom the Company had transactions during the current year)	
Magyar Suzuki Corporation Ltd.	Suzuki Motor (Thailand) Co., Ltd.
Suzuki Motor Gujarat Private Limited	Suzuki Thilawa Motor Co. Ltd
Suzuki Assemblers Malaysia Sdn.Bhd	Suzuki Motorcycle India Private Limited
Cambodia Suzuki Motor Co. Ltd.	Thai Suzuki Motor Co., Ltd.
Suzuki Motor De Mexico	Suzuki (Myanmar) Motor Co., Ltd.
Vietnam Suzuki Corporation	Suzuki Malaysia Automobile Sdn. Bhd.
Suzuki International Europe G.M.B.H.	Suzuki New Zealand Ltd.
Suzuki Australia Pty. Ltd.	Pt Suzuki Indomobil Motor
Suzuki Motor Poland Sp. Z.O.O.	Suzuki Austria Automobile Handels G.M.B.H.
Suzuki Gb Plc	Suzuki France S.A.S.
Suzuki Auto South Africa (Pty) Ltd	Suzuki Italia S.P.A.
Suzuki Philippines Inc.	Suzuki Motor Iberica, S.A.U.
Taiwan Suzuki Automobile Corporation	Automotive Electronics Power Private Ltd.

Others (Associate of holding company with whom the Company had transactions during the current year)	
Chongqing Changan Suzuki Automobile Co. Ltd.	

Key Management Personnel (KMP)	
Mr R. C. Bhargava	Chairman
Mr. Kenichi Ayukawa	Managing Director & CEO
Mr. Kazunari Yamaguchi	Director (w.e.f. January 26, 2018)
Mr. O. Suzuki	Director
Mr. T. Suzuki	Director
Mr. Toshiaki Hasuike	Director
Mr. Shigetoshi Torii	Director (till January 25, 2018)
Mr. K. Ayabe	Director
Mr. K. Saito	Director
Mr. Davinder Singh Brar	Independent Director
Mr. Rajinder Pal Singh	Independent Director
Ms. Pallavi Shroff	Independent Director
Ms. Renu Sud Karnad	Independent Director
Mr. Ajay Seth	Chief Financial Officer
Mr. S. Ravi Aiyar	Company Secretary (till February 28, 2018)
Mr. Sanjeev Grover	Company Secretary (w.e.f. March 21, 2018)
Late Mr. Amal Ganguli (till May 7, 2017)	Independent Director

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

34.2 Transaction with related parties

	For the year ended 31.03.2019	For the year ended 31.03.2018
Sale of goods to:		
- Holding Company	17,906	22,836
- Subsidiaries	253	247
- Fellow Subsidiaries		
- Suzuki Motorcycle India Private Limited	10,029	8,106
- Suzuki Auto South Africa (Pty) Ltd	4,622	3,672
- Others	4,477	4,877
- Others	6	-
	37,293	**39,738**
Sale of property, plant & equipment to:		
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	120	25
- Suzuki Motorcycle India Private Limited	181	205
	301	**230**
Purchase of goods from:		
- Holding Company	18,012	14,150
- Associates	60,475	59,357
- Joint Ventures	8,966	8,553
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	90,433	50,874
-Others	3,575	2,613
- Others	49	-
	181,510	**135,547**
Purchase of property, plant & equipment and intangible assets from:		
- Holding Company	3,329	1,704
- Associates		
- Jay Bharat Maruti Limited	1,016	524
- Others	863	776
- Joint Ventures	39	6
- Fellow Subsidiaries	-	-
	5,247	**3,010**
Finance income / commission / dividend from:		
- Associates		
- Jay Bharat Maruti Limited	16	16
- Bharat Seats Limited	5	4
- Others	1	130
- Joint Ventures		
- Plastic Omnium Auto Inergy Manufacturing India Private Limited	22	15
	44	**165**
Other operating revenue / other income from:		
- Holding Company	4,022	347
- Associates	81	73
- Joint Ventures	12	5
- Fellow Subsidiaries	110	140
	4,225	**565**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Recovery of expenses from:		
- Holding Company	1,047	440
- Associates	714	659
- Joint Ventures	288	201
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	7,258	2,725
- Others	61	50
	9,368	**4,075**
Services received from:		
- Holding Company	1,962	1,705
- Associates	4	5
- Joint Ventures	3	-
	1,969	**1,710**
Dividend paid to:		
- Holding Company	13,583	12,734
	13,583	**12,734**
Royalty expenses:		
- Holding Company	44,983	40,352
	44,983	**40,352**
Other expenses:		
- Holding Company	335	142
- Subsidiaries	32	148
- Associates	18	33
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	4,912	2,922
- Others	14	222
	5,311	**3,467**

	As at 31.03.2019	As at 31.03.2018
Trade Receivables:		
- Holding Company	5,134	2,776
- Subsidiaries	5	5
- Associates	38	34
- Fellow Subsidiaries		
- Suzuki Motorcycle India Private Limited	1,026	1,091
- Suzuki Motor Gujarat Private Limited	527	524
- Others	258	704
- Others	7	-
	6,995	**5,134**
Other current assets:		
- Holding Company	48	26
- Associates	1	334
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	1,899	5,382
- Others	-	2
- Joint Ventures	-	71
	1,948	**5,815**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Other financial assets:		
- Holding Company	1,327	411
- Associates	247	290
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	3,134	1,717
- Others	-	46
	4,708	**2,464**
Other non current assets:		
- Holding Company	112	149
- Associates		
- SKH Metals Limited	98	163
- Jay Bharat Maruti Limited	99	542
- Krishna Maruti Limited	86	8
- Others	7	158
- Fellow Subsidiaries	42	-
	444	**1,020**
Goods in transit:		
- Holding Company	1,614	1,526
- Fellow Subsidiaries	203	129
	1,817	**1,655**
Trade payable:		
- Holding Company	20,197	24,408
- Subsidiaries	-	11
- Associates	6,465	6,616
- Joint Ventures	781	414
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	4,276	2,480
- Others	213	260
- Others	6	-
	31,938	**34,189**
Other financial liabilities:		
- Holding Company	1,266	1,634
- Associates	85	556
	1,351	**2,190**

34.3 Key management personnel compensation

	For the year ended 31.03.2019	For the year ended 31.03.2018
Short-term benefits	155	163
Post-employment benefits	1	1
Other long-term benefits	1	-
Total Compensation*	**157**	**164**
Mr. Kenichi Ayukawa	50	45
Mr. Ajay Seth	31	26
Mr. S. Ravi Aiyar (till 28-Feb-18)	-	34
Mr. Sanjeev Grover (w.e.f. 21-Mar-18)	8	0
Mr. Kazunari Yamaguchi (w.e.f. 26-Jan-18)	33	5
Others	35	54
Total Compensation	**157**	**164**

*Refer to note-32 for employee benefit plans.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

35 Operating Lease Arrangements

The Company as a Lessee

Leasing arrangements

The Company has entered into operating lease arrangements for various land. These arrangements are non-cancellable in nature and range between fifteen to ninty nine years. Lease rental expense is set out in note 28 as 'Rent' in 'Other expenses'. The future minimum lease commitments under non-cancellable operating leases are as under:

Non-cancellable operating lease commitments

	As at 31.03.2019	As at 31.03.2018
Within one year	60	59
Later than one year but less than five years	268	257
Later than five years	294	366
	622	**682**

The Company as a Lessor

Leasing arrangements

The Company has entered into operating lease arrangements for various land and premises. These arrangements are both cancellable and non-cancellable in nature and range between three to fifteen years. Lease rental income earned by the Company is set out in Note 22 as 'Rental income'. The future minimum lease receivables under non-cancellable operating leases are as under:

Non-cancellable operating lease receivables

	As at 31.03.2019	As at 31.03.2018
Within one year	88	102
Later than one year but less than five years	353	437
Later than five years	597	1,117
	1,038	**1,656**

36 Capital & Other Commitments

	As at 31.03.2019	As at 31.03.2018
Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for	27,587	32,718
Outstanding commitments under Letters of Credit established by the Company	2,192	2,162

37 Export Promotion Capital Goods (EPCG)

Export Promotion Capital Goods (EPCG) allows import of capital goods including spares for pre-production, production and post production at zero duty subject to an export obligation of 6 times of duty saved on capital goods imported under EPCG scheme, to be fulfilled in 6 years reckoned from authorization issue date.

The Company has been availing the benefit and has been importing capital goods under the scheme at zero custom duty. The Company has accounted for the benefits received in accordance with the Ind AS 20- Accounting for Government Grants and Disclosure of Government Assistance.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The benefits (saving of custom duty) obtained from government has been treated as a Government Grant, which has been accounted for as deferred benefit under other current liabilities in note no 19 and recognised as a cost of property, plant and equipment. As per the EPCG scheme, the Company has an export obligation equivalent to 6 times of duty saved. The deferred benefit accounted for, shall be credited to statement of profit and loss on a pro-rata basis as and when the export obligation is fulfilled.

38 Contingent Liabilities

A) Claims against the Company disputed and not acknowledged as debts:

	As at 31.03.2019	As at 31.03.2018
(i) Excise Duty		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	1,624	1,598
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	13,884	12,691
Total	**15,508**	**14,289**
Amount deposited under protest	1,694	1,601
(ii) Service Tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	1,210	1,060
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	3,569	2,851
(c) Show cause notices on issues yet to be adjudicated	12	158
Total	**4,791**	**4,069**
Amount deposited under protest	60	61
(iii) Income Tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	10,370	5,447
(b) Cases pertaining to issues decided in favour of the Company for an earlier year but the Income Tax Department have raised a demand for a similar issue for subsequent years and are pending before Appellate authorities / Dispute Resolution Panel pursuant to appeals filed by the Company	30,529	28,464
(c) Other cases pending before Appellate authorities / Dispute Resolution Panel in appeals filed by the Company	23,830	18,984
Total	**64,729**	**52,895**
Amount deposited under protest	4,789	3,899
(iv) Custom Duty		
(a) Cases pending before Appellate authorities in respect of which the Company has filed appeals	81	108
(b) Others	70	60
Total	**151**	**168**
Amount deposited under protest	-	25
(v) Sales Tax		
Cases pending before Appellate authorities in respect of which the Company has filed appeals	10	67
Amount deposited under protest	1	18
(vi) Claims		
Claims against the Company lodged by various parties	1,043	1,017
Others	1,929	31

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(vii) In respect of disputed Local Area Development Tax (LADT) (upto April 15, 2008) / Entry Tax, the amounts under dispute are ₹ 21 million (as at 31.03.2018: ₹ 21 million) for LADT and ₹ 20 million (as at 31.03.2018: ₹ 20 million) for Entry Tax. The State Government of Haryana has repealed the LADT effective from April 16, 2008 and introduced the Haryana Tax on Entry of Goods into Local Area Act, 2008 with effect from the same date.

(viii) The Competition Commission of India ("CCI") had passed an order dated August 25, 2014 stating that the Company has violated certain sections of the Competition Act, 2002 and has imposed a penalty of ₹ 4,712 million. An interim stay is in operation on the above order of the CCI pursuant to the writ petition filed by the Company before the Delhi High Court.

(ix) The Hon'ble Supreme Court in a recent ruling has passed a judgement on the definition and scope of 'Basic Wages' under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company, if any, cannot be ascertained.

B) The amounts shown in the item (A) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

39 Excise Duty

Consequent to the introduction of Goods and Services Tax (GST) with effect from July 01, 2017; Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Ind AS 115 on Revenue Recognition and Schedule III of the Companies Act, 2013, unlike Excise Duty, levies like GST, VAT etc. are not part of revenue. Accordingly, the figure for the year ended March 31, 2019 is not comparable with year ended March 31, 2018. The following additional information is being provided to facilitate such understanding:

	Year ended 31.03.2019	Year ended 31.03.2018
A. Sale of products	830,265	803,365
B. Excise duty	-	22,317
C. Sale of products excluding excise duty (A) - (B)	830,265	781,048

40 The Company entered into a 'Contract Manufacturing Agreement' (CMA) with Suzuki Motor Gujarat Private Limited (SMG), a fellow subsidiary of Suzuki Motor Corporation (SMC) on December 17, 2015 for a period of 15 years which automatically extends for a further period of 15 years, unless terminated by mutual agreement. SMG during the term of this agreement, shall manufacture and supply vehicles on an exclusive basis to MSIL in accordance with the terms of the CMA . Accordingly, expenses recorded during the year includes ₹ 4,912 million (previous year ₹ 2,921 million) towards the lease of specific Property, Plant & Equipment.

41 Auditors' Remuneration*

	Year ended 31.03.2019	Year ended 31.03.2018
Statutory audit	16	16
Taxation matters	8	8
Other audit services / certification	3	4
Reimbursement of expenses	1	1

* excluding GST, Service Tax and Swachh Bharat & Krishi Kalyan Cess.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

42 Details of Research and Development Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Revenue expenditure		
Employees remuneration and benefits	3,471	3,100
Other expenses of manufacturing and administration	3,245	1,973
Capital expenditure	4,372	3,570
Less: Contract research income	(3,960)	(327)
	7,128	**8,316**

43 CIF Value of Imports

	Year ended 31.03.2019	Year ended 31.03.2018
Raw materials and components	43,969	38,879
Capital goods	13,312	6,483
Stores and spares	1,142	1,082
Dies and moulds	89	94
Others	496	567

44 Value of Imported and Indigenous Material Consumed

	Year ended 31.03.2019	Year ended 31.03.2018
i) Raw material and components		
Imported	29,489	29,965
Indigenous	420,750	419,448
	450,239	**449,413**
Percentage of total consumption		
Imported	7%	7%
Indigenous	93%	93%
ii) Machinery spares		
Imported	630	581
Indigenous	2,323	2,109
	2,953	**2,690**
Percentage of total consumption		
Imported	21%	22%
Indigenous	79%	78%
iii) Consumption of stores		
Imported	131	115
Indigenous	1,962	2,247
	2,093	**2,362**
Percentage of total consumption		
Imported	6%	5%
Indigenous	94%	95%

45 Licensed Capacity, Installed Capacity and Actual Production

Product	Units	Licensed Capacity	Installed Capacity**	Actual Production
Passenger Car and Light Duty Utility Vehicles	Nos	- *	1,576,000	1,562,938
		(-)*	(1,566,800)	(1,624,487)

Notes
* Licensed capacity is not applicable from 1993-94.
** Installed capacity is as certified by the management and relied upon by the auditors, being a technical matter
Previous year figures are in bracket.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

46 Sales, Opening Stock and Closing Stock

Product	Sales		Opening Stock		Closing Stock	
	Qty (Nos)	Value	Qty (Nos)	Value	Qty (Nos)	Value
Passenger Vehicles	1,862,449	747,715	29,789	9,700	18,122	5,768
	(1,779,574)	(731,314)	(33,156)	(12,330)	(29,789)	(9,700)
Spare Parts and Components	*	82,295	*	3,197	*	3,798
	*	(71,803)	*	(3,072)	*	(3,197)
Dies, Moulds and Others	*	255	*	-	*	-
	*	(248)	*	-	*	-
Work in Progress	*	NA	*	1,772	*	2,995
	*	(NA)	*	(1,546)	*	(1,772)

Notes:

1 Traded goods comprise vehicle, spares, components, dies and moulds. During the year 289,467 vehicle (previous year 153,233 vehicle) were purchased.

2 Closing stock of vehicles is after adjustment of 199 vehicles (previous year 82 vehicles) totally damaged.

3 Sales quantity excludes own use vehicles 1,403 Nos. (previous year 1,284 Nos.)

4 Sales quantity excludes sample vehicles 21 Nos. (previous year 147 Nos.)

5 Previous year figures are in bracket.

* In view of the innumerable sizes / numbers (individually less than 10%) of the components, spare parts and dies and moulds it is not possible to give quantitative details.

47 Statement of Raw Material and Components Consumed

Group of material	Unit	2018-19		2017-18	
		Qty	Amount	Qty	Amount
Steel coils	MT	284,306	15,809	290,071	14,866
Ferrous castings	MT	41,204	5,913	42,858	5,519
Non-ferrous castings	MT	48,354	8,916	47,730	8,339
Other components		*	415,818	*	416,671
Paints	K.LTR	13,005		13,082	
	MT	11,307	3,783	11,938	4,018
			450,239		**449,413**

* In view of the innumerable sizes / numbers (individually less than 10%) of the components, spare parts and dies and moulds it is not possible to give quantitative details.

48 The financial statements were approved by the the Board of Directors and authorised for issue on April 25, 2019.

For and on behalf of the Board of Directors

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager & Company Secretary
ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Independent Auditor's Report

To The Members of MARUTI SUZUKI INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Maruti Suzuki India Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associates and its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March, 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Evaluation of uncertain tax positions relating to Income taxes and Excise duty The Group has material uncertain tax positions including matters under disputes relating to Income taxes. Further, the Group has matters under litigation relating to Excise duty. These matters involve significant management judgement to determine the possible outcome of disputes. Refer note 2.5 and 40 of the financial statements.	**Principal Audit Procedures:** We obtained details of completed income tax and excise duty assessments during the year ended March 31, 2019 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income taxes and matters under litigations for Excise duty. Additionally we considered the effect of new information in respect of uncertain tax positions and matters under dispute as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's report, Business Responsibility Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint ventures and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements / financial information of 2 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 574 million as at 31st March, 2019, total revenues of ₹ 874 million and net cash inflows amounting to ₹ 61 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 934 million for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of 5 associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of the other auditors.

(b) The consolidated financial statements also include the Group's share of net profit of ₹ 620 million for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of 9 associates and 2 joint ventures, whose financial statements/financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries, associates and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures. Refer to note 40 to consolidated financial statements.

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 25th April, 2019

Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting of **Maruti Suzuki India Limited** (hereinafter referred to as "Parent") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on "the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies and 2 associate companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 25th April, 2019

Consolidated Balance Sheet

As at March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	Page No.	As at 31.03.2019	As at 31.03.2018
ASSETS				
Non-current assets				
Property, plant and equipment	4	243	149,862	130,771
Capital work-in-progress	4	243	16,069	21,321
Intangible assets	5	244	4,511	3,117
Financial assets				
Investments	6	245	324,581	349,058
Loans	7	248	2	2
Other financial assets	9	249	344	328
Other non-current assets	12	251	20,591	18,587
Total non-current assets			**515,960**	**523,184**
Current assets				
Inventories	10	250	33,226	31,602
Financial assets				
Investments	6	245	50,455	12,173
Trade receivables	8	249	23,128	14,654
Cash and bank balances	11	250	1,878	740
Loans	7	248	161	30
Other financial assets	9	249	4,964	2,846
Current tax assets (net)	22	261	4,277	4,115
Other current assets	12	251	5,638	13,140
Total current assets			**123,727**	**79,300**
Total assets			**639,687**	**602,484**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	251	1,510	1,510
Other equity	14	252	469,411	424,084
Equity attributable to owners of the Company			**470,921**	**425,594**
Non controlling interest	15	255	176	161
Total equity			**471,097**	**425,755**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	256	80	100
Provisions	18	257	395	265
Deferred tax liabilities (net)	19	258	6,139	6,020
Other non-current liabilities	20	260	20,371	15,859
Total non-current liabilities			**26,985**	**22,244**
Current liabilities				
Financial liabilities				
Borrowings	16	256	1,496	1,108
Trade payables				
Total outstanding dues of micro and small enterprises	21	260	682	711
Total outstanding dues of creditors other than micro and small enterprises	21	260	95,695	104,282
Other financial liabilities	17	257	14,420	13,338
Provisions	18	257	6,254	5,609
Current tax liabilities (net)	22	261	6,729	8,541
Other current liabilities	20	260	16,329	20,896
Total current liabilities			**141,605**	**154,485**
Total liabilities			**168,590**	**176,729**
Total equity and liabilities			**639,687**	**602,484**

The accompanying notes are forming part of these consolidated financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

JITENDRA AGARWAL
Partner

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager
& Company Secretary

ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	Page No.	For the Year ended 31.03.2019	For the Year ended 31.03.2018
I	Revenue from operations	23	261	860,685	820,411
II	Other income	24	262	25,616	20,458
III	**Total Income (I+II)**			**886,301**	**840,869**
IV	**Expenses**				
	Cost of materials consumed	25.1	262	450,257	449,432
	Purchases of stock-in-trade			150,266	100,021
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	25.2	262	2,116	408
	Excise duty	44	289	-	22,317
	Employee benefits expense	26	263	32,850	28,634
	Finance costs	27	263	759	3,458
	Depreciation and amortisation expense	28	263	30,208	27,598
	Other expenses	29	263	116,385	99,956
	Vehicles / dies for own use			(1,221)	(991)
	Total expenses (IV)			**781,620**	**730,833**
V	**Share of profit of associates**			1,273	1,366
VI	**Share of profit of joint ventures**			284	267
VII	**Profit before tax (III - IV + V + VI)**			**106,238**	**111,669**
VIII	**Tax expense**				
	Current tax	30	264	29,338	33,505
	Deferred tax	30	264	394	(643)
				29,732	**32,862**
IX	**Profit for the period (VII - VIII)**			**76,506**	**78,807**
X	**Other Comprehensive Income**				
	A (i) Items that will not be reclassified to profit or loss				
	(a) gain / (loss) of defined benefit obligation	14.5	253	(436)	(197)
	(b) gain / (loss) on change in fair value of equity instruments	14.6	254	(1,745)	3,470
				(2,181)	**3,273**
	A (ii) Income tax relating to items that will not be reclassified to profit or loss	30	264	150	39
	B (i) Items that will be reclassified to profit or loss				
	(a) effective portion of gain / (loss) on hedging instruments in a cash flow hedge	14.7	254	2	(2)
				2	**(2)**
	B (ii) Income tax relating to items that will be reclassified to profit or loss	30	264	(1)	1
	Total Other Comprehensive Income (A (i+ii)+B (i+ii))			**(2,030)**	**3,311**
XI	**Total Comprehensive Income for the period (IX + X)**			**74,476**	**82,118**
	Profit for the year attributed to:				
	Owners of the Company			76,491	78,800
	Non controlling interest			15	7
				76,506	**78,807**
	Other comprehensive income for the year attributable to:				
	Owners of the Company			(2,030)	3,311
	Non controlling interest			-	-
				(2,030)	**3,311**
	Total comprehensive income for the year attributable to:				
	Owners of the Company			74,461	82,111
	Non controlling interest			15	7
				74,476	**82,118**
	Earnings per equity share (₹)	32	266		
	Basic			253.26	260.88
	Diluted			253.26	260.88

The accompanying notes are forming part of these consolidated financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

JITENDRA AGARWAL
Partner

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager
& Company Secretary

ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Consolidated Statement of Changes in Equity

for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

a. Equity share capital

	Amount
Balance at April 01, 2017	**1,510**
Changes in equity share capital during the year	-
Balance at March 31, 2018	**1,510**
Changes in equity share capital during the year	-
Balance at March 31, 2019	**1,510**

b. Other equity

	Reserves and Surplus							Items of other comprehensive income				
	Reserves created on amalgamation	Securities premium	Capital reserves	General reserve	Retained earnings	Employee Welfare Fund	Scientific Research Fund	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Attributable to owners of the company	Non controlling interest	Total
Balance at April 01, 2017	**9,153**	**4,241**	**2**	**29,309**	**319,627**	**-**	**-**	**6,909**	**-**	**369,241**	**154**	**369,395**
Profit for the year	-	-	-	-	78,800	-	-	-	-	78,800	7	78,807
Other comprehensive income for the year, net of income tax	-	-	-	-	(132)	-	-	3,444	(1)	3,311	-	3,311
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**78,668**	**-**	**-**	**3,444**	**(1)**	**82,111**	**7**	**82,118**
Payment of dividend	-	-	-	-	(22,656)	-	-	-	-	(22,656)	-	(22,656)
Tax on dividend	-	-	-	-	(4,612)	-	-	-	-	(4,612)	-	(4,612)
Balance at March 31, 2018	**9,153**	**4,241**	**2**	**29,309**	**371,027**	**-**	**-**	**10,353**	**(1)**	**424,084**	**161**	**424,245**
Profit for the year	-	-	-	-	76,491	-	-	-	-	76,491	15	76,506
Other comprehensive income for the year, net of income tax	-	-	-	-	(284)	-	-	(1,747)	1	(2,030)	-	(2,030)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**76,207**	**-**	**-**	**(1,747)**	**1**	**74,461**	**15**	**74,476**
Payment of dividend	-	-	-	-	(24,166)	-	-	-	-	(24,166)	-	(24,166)
Tax on dividend	-	-	-	-	(4,968)	-	-	-	-	(4,968)	-	(4,968)
Employee Welfare Fund	-	-	-	-	(772)	772		-	-	-	-	-
Scientific Research Fund	-	-	-	-	(772)	-	772	-	-	-	-	-
Income on funds earmarked for Employee welfare fund	-	-	-	-	(36)	36	-	-	-	-	-	-
Balance at March 31, 2019	**9,153**	**4,241**	**2**	**29,309**	**416,520**	**808**	**772**	**8,606**	**-**	**469,411**	**176**	**469,587**

The accompanying notes are forming part of these consolidated financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

JITENDRA AGARWAL
Partner

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager
& Company Secretary

ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	Page No.	For the year ended 31.03.2019	For the year ended 31.03.2018
A. Cash flow from Operating Activities:				
Profit before tax			106,238	111,669
Adjustments for:				
Share of profit of associates			(1,273)	(1,366)
Share of profit of joint ventures			(284)	(267)
Depreciation and amortisation expense	28	263	30,208	27,598
Finance costs	27	263	759	3,458
Interest income	24	262	(1,243)	(682)
Dividend income	24	262	(91)	(200)
Net loss on sale / discarding of property, plant and equipment	29	263	531	545
Net gain on sale of investments in debt mutual funds	24	262	(1,601)	(964)
Fair valuation gain on investment in debt mutual funds	24	262	(22,681)	(18,612)
Liabilities no longer required written back	23	261	(53)	(852)
Unrealised foreign exchange (gain)/ loss			85	34
Operating Profit before Working Capital changes			**110,595**	**120,361**
Adjustments for changes in Working Capital :				
- (Increase)/decrease in loans (non-current)	7	248	-	1
- (Increase)/decrease in other financial assets (non-current)	9	249	(16)	(87)
- (Increase)/decrease in other non-current assets	12	251	(4,282)	(24)
- (Increase)/decrease in inventories	10	250	(1,624)	1,035
- (Increase)/decrease in trade receivables	8	249	(8,506)	(2,619)
- (Increase)/decrease in loans (current)	7	248	(131)	(5)
- (Increase)/decrease in other financial assets (current)	9	249	(2,153)	(1,787)
- (Increase)/decrease in other current assets	12	251	7,502	2,071
- Increase/(decrease) in non-current provisions	18	257	130	46
- Increase/(decrease) in other non-current liabilities	20	260	4,512	4,804
- Increase/(decrease) in trade payables	21	260	(8,579)	21,280
- Increase/(decrease) in other financial liabilities (current)	17	257	4,499	(1,262)
- Increase/(decrease) in current provisions	18	257	209	1,111
- Increase/(decrease) in other current liabilities	20	260	(4,709)	3,514
Cash generated from Operating Activities			**97,447**	**148,439**
- Income taxes paid (net of tax deducted at source)			(31,438)	(30,560)
Net Cash from / (used in) Operating Activities			**66,009**	**117,879**
B. Cash flow from Investing Activities:				
Payments for purchase of property, plant and equipment and capital work in progress	4	243	(47,470)	(39,116)
Payments for purchase of intangible assets	5	244	(1,254)	-
Proceeds from sale of property, plant and equipment	4	243	1,702	264
Payment for purchase of investment in associate company	6	245	(3)	-
Proceeds from sale of debt mutual funds	6	245	539,864	425,643
Payments for purchase of debt mutual funds	6	245	(529,572)	(470,689)
Interest received	24	262	1,243	681
Dividend received	24	262	91	200
Net Cash from / (used in) Investing Activities			**(35,399)**	**(83,017)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	Page No.	For the year ended 31.03.2019	For the year ended 31.03.2018
C. Cash flow from Financing Activities:				
Movement in short term borrowings (Net)	16	256	388	(3,728)
Proceeds from long term borrowings	16	256	-	100
Finance cost paid	27	263	(733)	(3,465)
Payment of dividend on equity shares	14.5	253	(24,166)	(22,656)
Related income tax	14.5	253	(4,968)	(4,612)
Net Cash from / (used in) Financing Activities			**(29,479)**	**(34,361)**
Net Increase/(Decrease) in cash & cash equivalents			**1,131**	**501**
Cash and cash equivalents at the beginning of the year			**728**	**227**
Cash and cash equivalents at the end of the year			**1,859**	**728**
Cash and cash equivalents comprises:				
Cash and cheques in hand	11	250	882	39
Balance with Banks	11	250	977	689
			1,859	**728**

The accompanying notes are forming part of these consolidated financial statements

For and on behalf of the Board of Directors

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

SANJEEV GROVER
Chief General Manager
& Company Secretary
ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

1 General Information

Maruti Suzuki India Limited ("The Company") is a public limited company incorporated and domiciled in India, listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is #1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. The Company is a subsidiary of Suzuki Motor Corporation, Japan. The principal activities of the Company and its subsidiaries are manufacturing, purchase and sale of motor vehicles, components and spare parts. The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing. The Company together with its subsidiaries is herein referred to as "the Group".

During the previous year, a Scheme of Amalgamation between the Company and its seven wholly owned subsidiaries, by the names of Maruti Insurance Business Agency Limited, Maruti Insurance Distribution Services Limited, Maruti Insurance Agency Network Limited, Maruti Insurance Agency Solutions Limited, Maruti Insurance Agency Services Limited, Maruti Insurance Agency Logistics Limited and Maruti Insurance Broker Limited became effective w.e.f. the appointed date, i.e., April 1, 2016 on completion of all required formalities on July 11, 2017 and approval of National Company Law Tribunal.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The principal accounting policies are set out below.

2.3 Basis of Consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balance and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and balance sheet respectively.

(ii) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see note (iv) below), after initially being recognised at cost.

(iii) Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Interests in joint ventures are accounted for using the equity method of accounting (see note(iv)

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.4 Going concern

The board of directors have considered the financial position of the Group as at March 31, 2019 and the projected cash flows and financial performance of the Group for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Group's operations.

2.5 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Note 32 : Provision for employee benefits

Provision for employee benefits requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for

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retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Group's retirement benefit obligations.

Note 17 & 38 : Provision for litigations

Income Tax: The Group's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Other litigations: Litigations often involve complex legal/ regulatory issues and are connected with a high degree of uncertainty. Accordingly, the assessment of whether an obligation exists on the balance sheet date as a result of an event in the past, and whether a future cash outflow is likely and the obligation can be reliably estimated, largely depends on estimations by the management.

Note 17 : Provision for warranty and product recall

The Group creates provision based on historical warranty claim experience. In addition, assumptions on the amounts of potential costs are also included while creating the provisions. The provisions are regularly adjusted to reflect new information.

Note 4 : Property, Plant and Equipment - Useful economic life

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end.

2.6 Revenue recognition

Effective April 1, 2018, the Group adopted Ind AS 115 'Revenue from Contracts with Customers'. First time adoption has been conducted retrospectively with cumulative effect of initially applying this standard as on the transition date. The effect on the transition to Ind AS 115 is insignificant.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty (till 30th June, 2017) and net of returns, discounts, sales incentives, goods & service tax and value added taxes.

The Group recognises revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and degree of managerial involvement associated with ownership or effective control have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

2.6.1 Sale of goods

Revenue is recognised for domestic and export sales of vehicles, spare parts, and accessories when the Group transfers control over such products to the customer on dispatch from the factory and the port respectively.

2.6.2 Income from services

Revenue from engineering services are recognised as the related services are performed. Revenue from extended warranty is recognised on time proportion basis. Income from other services are accounted over the period of rendering of services. Invoicing in excess of revenues are classified as contract liabilities. Contract liabilities pertains to advance consideration received towards sale of extended warranty and other services by the Group.

2.6.3 Income from royalty

Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangements.

2.6.4 Other Income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

2.7 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

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2.7.1 The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

2.7.2 The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see note 2.9 below).

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

Upfront amount paid for land taken on lease is amortised over the period of lease.

2.8 Foreign currencies

2.8.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Group's functional and presentation currency.

2.8.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of surplus funds out of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Employee benefits

2.10.1 Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

2.10.2 Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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2.10.3 Post-employment obligations

Defined benefit plans

The Group has defined benefit plans namely gratuity, provident fund and retirement allowance for employees. The gratuity fund and provident fund are recognised by the income tax authorities and are administered through trusts set up by the Group. Any shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group has defined contribution plans for post-employment benefit namely the superannuation fund which is recognised by the income tax authorities. This fund is administered through a trust set up by the Group and the Group’s contribution thereto is charged to profit or loss every year. The Group has no further payment obligations once the contributions have been paid. The Group also maintains an insurance policy to fund a post-employment medical assistance scheme, which is a defined contribution plan. The Group’s contribution to State Plans namely Employees’ State Insurance Fund and Employees’ Pension Scheme are charged to the statement of profit and loss every year.

Termination benefits

A liability for the termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.11.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.11.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.11.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.12 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and recognised in profit or loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Building	3-60 years
Plant and machinery other than Dies and Jigs	8 years
Dies and jigs	5 years
Electronic data processing equipment	3 years
Furniture and fixtures	10 years
Office appliances	5 years
Vehicles	8 years

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

All assets, the individual written down value of which at the beginning of the year is ₹ 5,000 or less, are depreciated at the rate of 100%. Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

Freehold land and Leasehold land in the nature of perpetual lease is not amortised.

2.13 Intangible assets

2.13.1 Intangible assets acquired separately

Lump sum royalty and engineering support fee is carried at cost which is incurred and stated in the relevant licence agreement with the technical knowhow / engineering support provider less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.13.2 Amortisation methods and useful lives

Lump sum royalty and engineering support fee is amortised on a straight line basis over its estimated

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useful life i.e. 5 years from the start of production of the related model. An intangible asset is derecognised when no future economic benefits are expected from use.

2.14 Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.15 Inventories

Inventories are valued at the lower of cost, determined on the weighted average basis and net realisable value.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Machinery spares (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged to profit or loss on consumption except those valued at ₹ 5,000 or less individually, which are charged to revenue in the year of purchase.

2.16 Provisions and contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.17 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

2.18 Financial assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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2.18.1 Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Group's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

2.18.2 Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Group has equity investments in certain entities which are not held for trading. The Group has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in profit or loss.

2.18.3 Equity investment in subsidiaries, associates and joint ventures

Investments representing equity interest in subsidiaries, associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.18.4 Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

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Investments in debt based mutual funds are measured at fair value through profit or loss.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

2.18.5 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

2.18.6 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

2.18.7 Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following :

- financial assets measured at amortised cost

- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or

- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

2.18.8 Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

2.18.9 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

2.19 Financial liabilities and equity instruments

2.19.1 Classification of debt or equity

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

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2.19.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

2.19.3.1 Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid.

2.19.3.2 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.19.3.3 Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.19.3.4 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

2.20 Derivative financial instruments

The Group enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks and commodity price risks. Further details of derivative financial instruments are disclosed in note 34.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument which is recognised in other comprehensive income (net of tax) and presented as a separate component of equity which is later reclassified to profit or loss when the hedge item affects profit or loss.

2.20.1 Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

2.21 Hedge accounting

The Group designates certain hedging instruments, in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an on-going basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in the fair value of these contracts that are designated and effective as hedges of future cash flows are recognised in other comprehensive income (net of tax) and the ineffective portion is recognised immediately in the profit or loss. Amount accumulated in equity are

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reclassified to the profit or loss in the periods in which the forecasted transaction occurs.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in other equity is retained there until the forecast transaction occurs.

Note 34 sets out details of the fair values of the derivative instruments used for hedging purposes.

2.22 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.23 Government Grant

Government grants are recognised where there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Group recognises as expense the related cost for which the grants are intended to compensate.

2.24 Earning Per Share

Basic earning per share has been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earning per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

2.25 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Group.

2.26 Royalty

The Group pays / accrues for royalty in accordance with the relevant licence agreements.

2.27 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard. Purchase consideration in excess of the Group's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognized, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

2.28 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

3 Applicability of New and Revised Ind AS

3.1 Ministry of Corporate affairs has notified Ind AS 116 - Leases, which is effective from April 1, 2019, which will replace the existing lease standard, Ind AS 17 Leases and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of lease for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and

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loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward lessor accounting requirements. The Group is evaluating the impact of Ind AS 116 and its effect on the financial statements.

3.2 Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements and its effect on the financial statements.

3.3 Amendments to Ind AS 12 - Income Taxes On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group does not expect any impact from this pronouncement.

3.4 Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.The amendments require an entity: 1) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and 2) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group does not have any impact on account of this amendment.

3.5 Ind AS 28 – Long-term Interests in Associates and Joint Ventures The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Since the Group has applied equity method for its long term interest in associate and joint venture, the Group does not expect any impact from the pronouncement.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

4 Property, Plant and Equipment and Capital Work-In-Progress

	As at 31.03.2019	As at 31.03.2018
Carrying amount of		
Freehold Land	38,591	31,574
Leasehold Land ^	546	546
Buildings	18,881	16,959
Plant & Machinery	88,330	78,472
Electronic Data Processing (EDP) Equipment	522	573
Furniture, Fixtures and Office Appliances	1,601	1,392
Vehicles	1,391	1,255
	149,862	**130,771**
Capital work-in-progress	16,069	21,321
	165,931	**152,092**

^ In the nature of perpetual lease

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	EDP Equipment	Furniture, Fixtures and Office Appliances	Vehicles	Total
Gross carrying amount								
Balance at April 01, 2017	19,079	551	18,349	138,882	1,350	1,400	1,303	**180,914**
Addition	12,495	-	1,491	12,953	382	665	692	**28,678**
Disposal / adjustments*	-	-	(7)	(1,014)	(9)	(2)	(377)	**(1,409)**
Balance at March 31, 2018	**31,574**	**551**	**19,833**	**150,821**	**1,723**	**2,063**	**1,618**	**208,183**
Addition	8,383	-	3,518	36,718	397	502	736	**50,254**
Disposal / adjustments*	(1,366)	-	(25)	(2,040)	(41)	134	(518)	**(3,856)**
Balance at March 31, 2019	**38,591**	**551**	**23,326**	**185,499**	**2,079**	**2,699**	**1,836**	**254,581**
Accumulated depreciation and impairment								
Balance at April 01, 2017	-	2	1,677	48,457	737	419	245	**51,537**
Depreciation expenses	-	3	1,198	24,391	425	261	197	**26,475**
Disposal / adjustments*	-	-	(1)	(499)	(12)	(9)	(79)	**(600)**
Balance at March 31, 2018	**-**	**5**	**2,874**	**72,349**	**1,150**	**671**	**363**	**77,412**
Depreciation expenses	-	-	1,586	26,268	446	406	224	**28,930**
Disposal / adjustments*	-	-	(15)	(1,448)	(39)	21	(142)	**(1,623)**
Balance at March 31, 2019	**-**	**5**	**4,445**	**97,169**	**1,557**	**1,098**	**445**	**104,719**
Carrying amount								
Balance at April 01, 2017	19,079	549	16,672	90,425	613	981	1,058	**129,377**
Addition	12,495	-	1,491	12,953	382	665	692	**28,678**
Disposal / adjustments*	-	-	(6)	(515)	3	7	(298)	**(809)**
Depreciation expenses	-	(3)	(1,198)	(24,391)	(425)	(261)	(197)	**(26,475)**
Balance at March 31, 2018	**31,574**	**546**	**16,959**	**78,472**	**573**	**1,392**	**1,255**	**130,771**
Addition	8,383	-	3,518	36,718	397	502	736	**50,254**
Disposal / adjustments*	(1,366)	-	(10)	(592)	(2)	113	(376)	**(2,233)**
Depreciation expenses	-	-	(1,586)	(26,268)	(446)	(406)	(224)	**(28,930)**
Balance at March 31, 2019	**38,591**	**546**	**18,881**	**88,330**	**522**	**1,601**	**1,391**	**149,862**

4.1 Notes on property, plant and equipment

1 Immovable properties having carrying value of ₹ 27 million (as at 31.03.18 ₹ 27 million) are not yet registered in the name of the Company.

2 Plant and Machinery includes a Gas Turbine jointly owned by the Company with its group companies and other companies (pro-rata cost amounting to ₹ 374 million, carrying amount as at 31st March 2019 Nil (as at 31.03.18 NIL).

3 A part of freehold land of the Company situated at Gurugram, Manesar and Gujarat has been made available to its group companies / fellow subsidiary for their business purpose.

* Adjustment includes the intra-head re-grouping of amounts.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

5 Intangible Assets

	As at 31.03.2019	As at 31.03.2018
Carrying amount of		
Lumpsum royalty and engineering support fee	4,511	3,117
	4,511	**3,117**

	Lumpsum royalty and engineering support fee
Gross carrying amount	
Balance at April 01, 2017	5,888
Addition	562
Adjustment	(52)
Balance at March 31, 2018	6,398
Addition	2,672
Balance at March 31, 2019	**9,070**
Accumulated amortisation and impairment	
Balance at April 01, 2017	2,158
Amortisation expenses	1,123
Balance at March 31, 2018	**3,281**
Amortisation expenses	1,278
Balance at March 31, 2019	**4,559**
Carrying amount	
Balance at April 01, 2017	3,730
Addition	562
Adjustment	(52)
Amortisation expenses	(1,123)
Balance at March 31, 2018	**3,117**
Addition	2,672
Amortisation expenses	(1,278)
Balance at March 31, 2019	**4,511**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6 Investments

	As at 31.03.2019	As at 31.03.2018
Non-current		
Investment in equity instruments		
- Associate companies	9,452	8,176
- Joint venture companies	1,748	1,464
- Others	9,026	10,771
Investment in preference shares	-	-
Investment in debt mutual funds	304,355	328,647
	324,581	**349,058**
Current		
Investment in debt mutual funds	50,455	12,173
	50,455	**12,173**
Aggregate value of unquoted investments	365,078	349,674
Aggregate value of quoted investments	10,008	11,607
Market value of quoted investments	10,773	13,710
Aggregate provision for diminution in value of investments	50	50

6.1 Investment in associates

Break-up of investment in associates (carrying amount determined using the equity method of accounting)

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Quoted investment (fully paid up)				
Bharat Seats Limited (Face value of ₹ 2 each)	4,650,000	155	4,650,000	129
Jay Bharat Maruti Limited (Face value of ₹ 5 each)	6,340,000	1,183	6,340,000	1,055
Machino Plastics Limited (Face value of ₹ 10 each)	941,700	93	941,700	89
Total aggregate quoted investment (A)		**1,431**		**1,273**
Aggregate market value of quoted investment		**2,196**		**3,376**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Unquoted investment (fully paid up)				
Caparo Maruti Limited (Face value of ₹ 10 each)	2,500,000	361	2,500,000	373
Hanon Climate Systems India Private Limited (Face value of ₹ 100 each)	518,700	899	518,700	771
Krishna Maruti Limited (Face value of ₹ 10 each)	670,000	814	670,000	630
SKH Metals Limited (Face value of ₹ 10 each)	2,645,000	519	2,645,000	504
Nippon Thermostat (India) Limited (Face value of ₹ 10 each)	125,000	3	125,000	4
Mark Exhaust Systems Limited (Face value of ₹ 10 each)	4,437,465	314	4,437,465	283
Bellsonica Auto Components India Private Limited (Face value of ₹ 100 each)	3,540,000	283	3,540,000	354
FMI Automotive Components Private Limited (Face value of ₹ 10 each)	44,100,000	650	44,100,000	576
Manesar Steel Processing India Private Limited (Face value of ₹ 10 each)	6,840,000	50	6,840,000	45
Maruti Insurance Broking Private Limited (Face value of ₹ 10 each)	231,275	4,125	231,275	3,363
Bahucharaji Rail Corporation Limited (Face value of ₹ 10 each)	330,000	3	-	-
Total aggregate unquoted investment (B)		**8,021**		**6,903**
Total investments carrying value (A) + (B)		**9,452**		**8,176**

Investment in associates are accounted for using the equity method in these consolidated financial statements.

Each of the fourteen associates is not individually material to the Group considering the contribution of these associates to the consolidated net asset of the Group.

Financial information of associates that are not individually material

	Year ended 31.03.2019	Year ended 31.03.2018
The Group's share of profit or loss	1,273	1,366
The Group's share of total comprehensive income	**1,273**	**1,366**

	As at 31.03.2019	As at 31.03.2018
Aggregate carrying amount of the Group's interest in these associates	**9,452**	**8,176**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6.2 Investment in joint ventures

Break-up of investment in joint ventures (carrying amount determined using the equity method of accounting)

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Unquoted investment (fully paid up)				
Plastic Omnium Auto Inergy Manufacturing India Private Limited (Face value of ₹ 10 each)	6,656,000	221	6,656,000	210
Magneti Marelli Powertrain India Limited (Face value of ₹ 10 each)	8,550,000	1,527	8,550,000	1,254
Total aggregate unquoted investment		**1,748**		**1,464**

Investment in joint ventures are accounted for using the equity method in these consolidated financial statements.

Each of the joint ventures is not individually material to the Group considering the contribution of these joint ventures to the consolidated net asset of the Group.

Financial information in respect of joint ventures that are not individually material

	Year ended 31.03.2019	Year ended 31.03.2018
The Group's share of profit or loss	284	267
The Group's share of total comprehensive income	**284**	**267**

	As at 31.03.2019	As at 31.03.2018
Aggregate carrying amount of the Group's interest in these associates	1,748	1,464

6.3 Other equity instruments

Investment in equity instruments at fair value through other comprehensive income

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Quoted investment (fully paid up)				
Asahi India Glass Limited (Face value of ₹ 1 each)	26,995,200	7,062	26,995,200	8,975
JTEKT India Limited (Formerly known as Sona Koyo Steering Systems Limited) (Face value of ₹ 1 each)	13,800,000	1,515	13,800,000	1,359
Total aggregate quoted investment (i)		**8,577**		**10,334**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Unquoted investment (fully paid up)				
Denso India Private Limited (Face value of ₹ 10 each)	2,862,758	448	2,862,758	436
Total aggregate unquoted investment (ii)		**448**		**436**
Investment in equity shares of Section 8 Company				
International Automobile Centre of Excellence (Face value of ₹ 10 each)	100,000	1	100,000	1
Investment in equity shares of Section 8 Company (iii)		**1**		**1**
Investment in other equity instruments [i+ii+iii]		**9,026**		**10,771**

6.4 Investment in unquoted preference shares

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Western Paques (India) Limited (Face value of ₹ 100 each)	500,000	50	500,000	50
Less: Provision for diminution in value		(50)		(50)
Total investment in unquoted preference shares		**-**		**-**

6.5 Investment in unquoted debt mutual funds*

	As at 31.03.2019		As at 31.03.2018	
	Current	Non Current	Current	Non Current
Fixed Term Debt Maturity Plans	7,209	31,155	12,173	20,129
Open Ended Debt Schemes	43,246	273,200	-	308,518
Total investment in unquoted debt mutual funds	**50,455**	**304,355**	**12,173**	**328,647**

* Includes Debt mutual funds earmarked for Employee welfare fund as at 31.03.2019 amounting to ₹ 808 million (as at 31.03.2018 : Nil)

7 Loans (unsecured and considered good, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Non Current		
Employee related loans and advances	1	1
Inter corporate deposits- unsecured considered doubtful	125	125
Provision for doubtful Intercorporate deposits	(125)	(125)
Others	1	1
	2	**2**
Current		
Employee related loans and advances	161	30
	161	**30**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

8 Trade Receivables

	As at 31.03.2019	As at 31.03.2018
Unsecured - considered good	23,128	14,654
- considered doubtful	25	26
Provision for doubtful debts	(25)	(26)
	23,128	**14,654**

8.1 The credit risk to the Company is limited since most of the sales are made against advances or letter of credit/ bank guarantees from banks of national standing. The credit period generally allowed on domestic sales varies from 30 to 45 days (excluding transit period). The credit period on export sales varies on case to case basis, based on market conditions.

	As at 31.03.2019	As at 31.03.2018
Age of receivables		
Within the credit period	22,222	13,998
1-90 days past due	837	502
91-180 days past due	37	86
More than 180 days past due	32	68
	23,128	**14,654**

9 Other Financial Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Non-current		
Financial assets carried at amortised cost		
Security deposits	216	200
Others	128	128
	344	**328**
Current		
Financial assets carried at amortised cost		
Interest accrued - secured	1	1
- unsecured	21	21
Recoverable from related parties	4,708	2,464
Others - considered good	162	251
- considered doubtful	28	-
Less: provision for doubtful assets	(28)	-
Financial assets carried at fair value		
Foreign currency and commodity forward contract not ualifying or not designated in hedge accounting relationships	72	109
	4,964	**2,846**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

10 Inventories

	As at 31.03.2019	As at 31.03.2018
Inventories (lower of cost and net realisable value)		
Raw materials	17,591	14,368
Work-in-progress	2,995	1,772
Finished goods manufactured		
Vehicle	5,683	9,700
Vehicle spares and components	454	363
Traded goods		
Vehicle	85	-
Vehicle spares and components	3,373	2,871
Stores and spares	1,894	1,475
Loose Tools	1,151	1,053
	33,226	**31,602**
Inventory includes in transit inventory of:		
Raw materials	4,149	3,701
Stock in trade	49	53

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 673,306 million (previous year ₹ 614,876 million).

The cost of inventories recognised as an expense includes ₹ 119 million (previous year ₹ 152 million) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 2.15.

11 Cash and Bank Balances

	As at 31.03.2019	As at 31.03.2018
Cash and cash equivalents:		
Balances with Banks	933	189
Cheques, drafts in hand	880	37
Deposits (less than 3 months original maturity period)	44	500
Cash in hand	2	2
	1,859	**728**
Other Bank balances:		
Unclaimed dividend accounts	19	12
	1,878	**740**
Cash and cash equivalents as per cash flow statement	**1,859**	**728**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

12 Other Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Non-current		
Capital advances - considered good*	4,295	6,573
Prepaid expenses and leases	7,730	5,481
Amount paid under protest / dispute	7,397	6,413
Claims - unsecured considered good	58	96
- unsecured considered doubtful	27	27
Less : provision for doubtful claims	(27)	(27)
Others	1,111	24
	20,591	**18,587**
Current		
Balance with customs, port trust and other government authorities	585	2,363
Claims	848	1,084
Prepaid expenses and leases	770	578
Balance with related parties	1,948	5,815
Others - considered good	1,487	3,300
- considered doubtful	238	104
Less: provision for doubtful balances	(238)	(104)
	5,638	**13,140**

* Includes capital advance given to related parties ₹ 444 million (31.03.18: ₹ 1,021 million).

13 Equity Share Capital

	As at 31.03.2019	As at 31.03.2018
Authorised share capital:		
3,751,000,000 equity shares of ₹ 5 each (as at 31.03.18: 3,751,000,000 equity shares of ₹ 5 each)	18,755	18,755
Issued, subscribed and fully paid up capital comprises:		
302,080,060 equity shares of ₹ 5 each (as at 31.03.18: 302,080,060 equity shares of ₹ 5 each)	1,510	1,510
	1,510	**1,510**

13.1 Rights, preference and restriction attached to shares

The Company has one class of equity shares having a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Consolidated Financial Statements

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13.2 Reconciliation of number of shares

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	302,080,060	1,510	302,080,060	1,510
Balance as at the end of the year	302,080,060	1,510	302,080,060	1,510

13.3 Details of shares held by the holding company

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	Amount	Number of shares	Amount
Suzuki Motor Corporation, Japan	169,788,440	849	169,788,440	849
	169,788,440	**849**	**169,788,440**	**849**

13.4 Details of shares held by each shareholder holding more than 5% shares

	As at 31.03.2019		As at 31.03.2018	
	Number of shares	% holding	Number of shares	% holding
Suzuki Motor Corporation (the holding company)	169,788,440	56.21	169,788,440	56.21
Life Insurance Corporation of India	20,192,659	6.68	15,589,504	5.16

14 Other Equity

	As at 31.03.2019	As at 31.03.2018
Capital reserve	2	2
General reserve	29,309	29,309
Securities premium	4,241	4,241
Reserve created on amalgamation	9,153	9,153
Retained earnings	416,520	371,027
Employee welfare fund	808	-
Scientific research fund	772	-
Reserve for equity instruments through other comprehensive income	8,606	10,353
Cash flow hedging reserve	-	(1)
	469,411	**424,084**

14.1 Capital reserves

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	2	2
Balance at the end of year	**2**	**2**

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14.2 General reserve

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	29,309	29,309
Balance at the end of year	**29,309**	**29,309**

The general reserve is free reserve which is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

14.3 Securities premium

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	4,241	4,241
Balance at the end of year	**4,241**	**4,241**

Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 ("the Act") for specified purposes.

14.4 Reserve created on amalgamation

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	9,153	9,153
Balance at the end of year	**9,153**	**9,153**

This reserve is created on the basis of the scheme of amalgamation of erstwhile Suzuki Powertrain India Limited (SPIL) with the Company as approved by the High Court of Delhi in the year ended 31st March 2013.

14.5 Retained earnings

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	371,027	319,627
Profit attributable to owners of the Company	76,491	78,800
Other comprehensive income arising from remeasurement of defined benefit obligation attributable to owners of the Company*	(284)	(132)
Amount transferred to Employee welfare fund	(772)	-
Income on funds earmarked for Employee welfare fund	(36)	-
Amount transferred to Scientific research fund	(772)	-
Payment of dividend on equity shares	(24,166)	(22,656)
Tax on dividend	(4,968)	(4,612)
Balance at the end of year	**416,520**	**371,027**

During the year, a dividend of ₹ 80 per share, total dividend ₹ 24,166 million (previous year : ₹ 75 per share, total dividend ₹ 22,656 million) was paid to equity shareholders.

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The Board of Directors recommended a final dividend of ₹ 80 per share (nominal value of ₹ 5 per share) for the financial year 2018-19. This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these financial statements. The total expected amount of cash outflow is ₹ 29,134 million including dividend distribution tax of ₹ 4,968 million.

* net of income tax of ₹ 152 million (previous year ₹ 65 million)

14.6 Reserve for equity instruments through other comprehensive income

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	10,353	6,909
Net fair value gain/(loss) on investment in equity instruments at FVTOCI	(1,745)	3,470
Income tax on net fair value gain/(loss) on investments in equity instruments at FVTOCI	(2)	(26)
Balance at the end of year	**8,606**	**10,353**

This reserves represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

14.7 Cash flow hedging reserve

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	(1)	-
Recognised / (released) during the year	2	(2)
Income tax related to above	(1)	1
Balance at the end of year	**-**	**(1)**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedging item.

14.8 Employee Welfare Fund

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	-	-
Addition during the year	772	-
Income on funds earmarked for Employee Welfare Fund	36	-
Balance at the end of year	**808**	**-**

This reserve is created by appropriating 1% of profit after tax of the previous year and will be utilised for undertaking welfare activities such as housing, education and health for the employees of the Company. No expenditure has been done from this fund during the current year.

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14.9 Scientific Research Fund

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at the beginning of year	-	-
Movement	772	-
Balance at the end of year	**772**	**-**

This reserve is created by appropriating 1% of profit after tax of the previous year and will be utilised for promotion of scientific research and technology in India. No expenditure has been done from this fund during the current year.

15 Non-Controlling Interest

	Year ended 31.03.2019	Year ended 31.03.2018
Balance at beginning of year	161	154
Share of total comprehensive income of the year	15	7
Balance at the end of the year	**176**	**161**

Details of non-wholly owned subsidiary

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interest		Profit (loss) allocated to non-controlling interest		Accumulated non-controlling interest	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
J J Impex (Delhi) Private Limited	India	49.13%	49.13%	15	7	176	161

Summarised financial information of J J Impex (Delhi) Private Limited (before intragroup eliminations)

	As at 31.03.2019	As at 31.03.2018
Non current assets	371	367
Current assets	202	172
Non current liabilities	(90)	(111)
Current liabilities	(125)	(100)
Equity attributable to owners of the Company	182	167
Non controlling interest	176	161

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Year ended 31.03.2019	Year ended 31.03.2018
Revenue	893	868
Expenses	862	854
Profit / (loss) for the year	31	14
Other comprehensive income	(1)	(1)
Total comprehensive income	30	13
Profit / (loss) for the year attributable to owners of the Company	16	7
Profit / (loss) for the year attributable to non controlling interest	15	7
Profit (loss) for the year	**31**	**14**
Other comprehensive income attributable to owners of the Company	(1)	(1)
Other comprehensive income attributable to non controlling interest	-	-
Other comprehensive income for the year	**(1)**	**(1)**
Total comprehensive income attributable to owners of the Company	15	6
Total comprehensive income attributable to non controlling interest	15	7
Total comprehensive income for the year	**30**	**13**

16 Borrowings

	As at 31.03.2019	As at 31.03.2018
Non-current		
Unsecured		
Term loans from banks	80	100
	80	**100**
Current		
Unsecured		
Loans repayable on demand from banks - cash credit and overdraft	1,496	1,108
	1,496	**1,108**

16.1 Summary of borrowing arrangements

1. Loans from banks include:

Loan amounting to ₹ 80 million (as at 31.03.18: ₹ 100 million) is taken from Mizhuho Bank Ltd. at an interest rate of 8.76% (Previous year 7.95%), repayable in 16 quarterly instalments. The above loan is secured by first pari passu charge on Group's plant & machinery excluding existing Chennai Plant and first pari passu charge on current assets of the Group.

2. Loan repayable on demand from banks (Cash credit and Overdraft) amounting to ₹ 1,496 million at an interest rate of 7.60% to 8.75%, repayable within 0-10 days (as at 31.03.18: ₹ 1,108 million at an interest rate of 8.30% to 8.70%, repayable within 0-3 days)

16.2 Breach of loan agreement

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

17 Other Financial Liabilities

	As at 31.03.2019	As at 31.03.2018
Current		
Financial liabilities carried at amortised cost		
Current maturities of long term debts (Refer to Note 16)	20	-
Payables to capital creditors	6,411	9,881
Deposits from dealers, contractors and others	7,020	2,862
Interest accrued	46	20
Unpaid dividend*	19	12
Book overdraft	898	548
Others	6	13
Derivatives designated and effective as hedging instruments carried at fair value		
Foreign currency forward contract designated in hedge accounting relationships	-	2
	14,420	**13,338**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act 2013.

18 Provisions

	As at 31.03.2019	As at 31.03.2018
Non-current		
Provisions for employee benefits		
Provision for retirement allowance	72	66
Other provisions		
Provision for warranty & product recall	323	199
	395	**265**
Current		
Provisions for employee benefits		
Provision for retirement allowance	3	3
Provision for compensated absences	3,522	2,925
Other provisions		
Provision for litigation / disputes	2,151	2,118
Provision for warranty & product recall	578	563
	6,254	**5,609**

Details of other provisions

	Litigation / Dispute		Warranty / Product recall	
	2018-2019	2017-2018	2018-2019	2017-2018
Balance as at the beginning of the year	2,118	1,734	762	369
Addition during the year	71	455	1,111	1,243
Utilised during the year	-	-	972	850
Reversed during the year	38	71	-	-
Balance as at the end of the year	**2,151**	**2,118**	**901**	**762**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Litigation / Dispute		Warranty / Product recall	
	31.03.2019	31.03.2018	**31.03.2019**	31.03.2018
Classified as long term	-	-	323	199
Classified as short term	2,151	2,118	578	563
Total	**2,151**	**2,118**	**901**	**762**

Provisions for employee benefits
The provision for employee benefits include compensated absences and retirement allowance.

Provision for warranty and product recall
Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims will arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Provision for litigation / disputes
In the ordinary course of business, the Group faces claims by various parties. The Group assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable (also refer to note 40).

19 Deferred tax Balances
The following is the analysis of deferred tax assets / (liabilities) presented in the consolidated balance sheet

	As at 31.03.2019	As at 31.03.2018
Deferred tax assets	2,528	3,186
Deferred tax liabilities	8,667	9,206
Net deferred tax liabilities	**6,139**	**6,020**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

2017-18	Opening Balance	Recognised in profit or loss	Recognised in OCI	Adjustments*	Closing Balance
Deferred tax assets					
Deferred revenue	2,092	(898)	-	-	1,194
Capital loss carry forwards#	1,772	(56)	-	(1,716)	-
Expenses deductible in future years	1,661	(147)	-	54	1,568
Provision for litigation / dispute	256	4	-	(56)	204
Provision for doubtful debts / advances	88	11	-	-	99
Others	169	(14)	65	(99)	121
	6,038	**(1,100)**	**65**	**(1,817)**	**3,186**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	4,783	(1,219)	-	(186)	3,378
Investment in debt mutual funds	4,172	(170)	-	(4)	3,998
Investment in equity instruments	28	-	26	-	54
Other current & non-current asset	1,725	(392)	-	18	1,351
Cashflow hedges	-	-	(1)	-	(1)
Undistributed profit of joint ventures and associates	388	38	-	-	426
	11,096	**(1,743)**	**25**	**(172)**	**9,206**
Net deferred tax liabilities	**5,058**	**(643)**	**(40)**	**1,645**	**6,020**
2018-19					
Deferred tax assets					
Deferred revenue	1,194	(897)	-	-	297
Expenses deductible in future years	1,568	294	-	(203)	1,659
Provision for litigation / dispute	204	25	-	133	362
Provision for doubtful debts / advances	99	46	-	-	145
Others	121	(256)	152	48	65
	3,186	**(788)**	**152**	**(22)**	**2,528**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	3,378	(778)	-	15	2,615
Investment in debt mutual funds	3,998	279	-	-	4,277
Investment in equity instruments	54	-	2	-	56
Other current & non-current asset	1,351	36	-	(163)	1,224
Cashflow hedges	(1)	-	1	-	-
Undistributed profit of joint ventures and associates	426	69	-	-	495
	9,206	**(394)**	**3**	**(148)**	**8,667**
Net deferred tax liabilities	**6,020**	**394**	**(149)**	**(126)**	**6,139**

* On account of reclassification to/from "Deferred Tax" from/to "Provision for Taxation

Deferred tax asset on capital loss carry forwards was recognised as it is probable that future taxable profit will be available on gain on investment in debt mutual funds, against which the tax losses can be utilised.

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

20 Other Liabilities

	As at 31.03.2019	As at 31.03.2018
Non-current		
Contract Liabilities (Deferred revenue)	20,371	15,859
	20,371	**15,859**
Current		
Advance from customers	4,175	11,524
Contract Liabilities (Deferred revenue)	6,457	4,651
Statutory dues	5,697	4,721
	16,329	**20,896**

Note:

During the year the Group has recognised revenue of ₹ 4,651 million which was included in the contract liability balance as on 1st April, 2018.

21 Trade Payables

	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of micro and small enterprises	682	711
Total outstanding dues of creditors other than micro and small enterprises	95,695	104,282
	96,377	**104,993**

Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

	As at 31.03.2019	As at 31.03.2018
a. Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end		
- Principal	682	711
- Interest due thereon	4	-
b. Payments made to suppliers beyond the appointed day during the year		
- Principal	2,888	-
- Interest paid	1	-
c. Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	30	-
d. Amount of interest accrued and remaining unpaid as at year end	34	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

22 Current Tax

	As at 31.03.2019	As at 31.03.2018
Current tax assets		
Taxes Paid (Net)	4,277	4,115
Current tax liabilities		
Income tax payable (Net)	6,729	8,541

23 Revenue from Operations

	Year ended 31.03.2019	Year ended 31.03.2018
Sale of products (including excise duty)*		
Vehicles	747,715	731,314
Spare parts / dies and moulds / components	82,670	72,174
	830,385	**803,488**
Other operating revenues		
Income from services	10,543	5,555
Sale of scrap	5,710	4,991
Recovery of freight & service charges	11,631	3,094
Liabilities no longer required written back	53	852
Rental Income	349	433
Others	2,014	1,998
	30,300	**16,923**
	860,685	**820,411**

* Refer to note - 44

Refer to note 8.1 for payment terms with customers.

Revenue from contract with customers is disaggregated by geographical region and presented in Note 31

Reconciliation of revenue recognised with contract price:

	Year ended 31.03.2019	Year ended 31.03.2018
Contract price (Gross)	902,281	855,345
Adjustments for:		
Discount & Incentives as per contract/scheme bulletins	(41,596)	(34,934)
Revenue From Operations	**860,685**	**820,411**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

24 Other Income

	Year ended 31.03.2019	Year ended 31.03.2018
Interest income on		
Bank deposits	170	9
Income tax refund	502	330
Receivables from dealers	546	337
Advance to vendors	1	-
Others	24	6
	1,243	**682**
Dividend income		
Dividend from equity investments	91	200
	91	**200**
Others		
Net gain on sale of investments in debt mutual funds	1,601	964
Fair valuation gain on investment in debt mutual funds	22,681	18,612
	24,282	**19,576**
	25,616	**20,458**

25 Material Consumed

25.1 Cost of materials consumed

	Year ended 31.03.2019	Year ended 31.03.2018
Raw material Inventory at the beginning of year	14,368	13,650
Add: Purchases during the year	453,480	450,150
Less: Raw material Inventory at the end of year	17,591	14,368
	450,257	**449,432**

25.2 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31.03.2019	Year ended 31.03.2018
Opening balances		
Work in progress	1,772	1,546
Finished goods manufactured		
Vehicle	9,700	12,330
Vehicle spares and components	363	481
Traded goods		
Vehicle spares and components	2,871	2,629
	14,706	**16,986**
Closing balances		
Work in progress	2,995	1,772
Finished goods manufactured		
Vehicle	5,683	9,700
Vehicle spares and components	454	363
Traded goods		
Vehicle	85	-
Vehicle spares and components	3,373	2,871
	12,590	**14,706**
Excise duty on increase / (decrease) of finished goods	-	(1,872)
	2,116	**408**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

26 Employee Benefits Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Salaries and wages	28,960	25,179
Contribution to provident and other funds	1,468	1,354
Staff welfare expenses	2,422	2,101
	32,850	**28,634**

27 Finance Costs

	Year ended 31.03.2019	Year ended 31.03.2018
Interest costs:		
Cash credit and overdrafts	245	280
Deposits from dealers, contractors and others	505	630
Interest on enhanced compensation for land	9	2,548
	759	**3,458**

28 Depreciation and Amortisation Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Depreciation of property, plant and equipment	28,930	26,475
Amortisation of intangible assets	1,278	1,123
	30,208	**27,598**

29 Other Expenses

	Year ended 31.03.2019	Year ended 31.03.2018
Consumption of stores	2,093	2,362
Power and fuel [net of amount recovered ₹ 832 million (previous year ₹ 789 million)]	8,633	6,734
Rent (refer to note 37)	5,346	3,253
Repair and maintenance: plant and machinery	2,745	2,222
Repair and maintenance: building	582	561
Repair and maintenance: others	558	467
Insurance	169	164
Rates, taxes and fees	150	431
Royalty	37,926	37,672
Tools / machinery spares charged off	4,010	3,807
Exchange variation on foreign currency transactions (net)	1,784	909
Advertisement	7,338	8,686
Sales promotion	8,376	8,391
Warranty and product recall	1,111	1,243
Transportation and distribution expenses	16,401	7,684
Net loss on sale / discarding of property, plant and equipment	531	545
Corporate social responsibility expenses	1,541	1,252
Other miscellaneous expenses *	17,091	13,573
	116,385	**99,956**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operation

Notes to the Consolidated Financial Statements

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Note on Corporate Social Responsibility

Gross amount required to be spent by the Company during the year was ₹ 1,535 million as per Section 135 of the Companies Act, 2013.

Amount spent during the year on:

	Year ended 31.03.2019	Year ended 31.03.2018
(i) Construction / acquisition of any asset		
- in cash	-	-
- yet to be paid in cash	-	-
	-	**-**
(ii) On purpose other than above		
- in cash	1,541	1,252
- yet to be paid in cash	**-**	**-**
	1,541	**1,252**
Total ((i) + (ii))	**1,541**	**1,252**

30 Income Taxes

30.1 Income tax recognised in profit or loss

	Year ended 31.03.2019	Year ended 31.03.2018
Current tax		
In respect of the current year	30,786	33,669
In respect of prior years	(1,448)	(164)
	29,338	**33,505**
Deferred tax		
In respect of the current year	394	(643)
	394	**(643)**
Total income tax expense recognised in the current year	**29,732**	**32,862**

The income tax expense for the year can be reconciled to the accounting profit as follows

	Year ended 31.03.2019	Year ended 31.03.2018
Profit before tax	**106,238**	**111,669**
Tax at the Indian Tax Rate of 34.944% (previous year 34.608%)	37,124	38,646
Weighted deduction for research and development expenses	(1,394)	(1,375)
Differential tax rate on fair value gain on investment	556	(2,330)
Differential tax rate on capital gain on sale of investments	(4,993)	(1,621)
Effect of expenses that are not deductible in determining taxable profit	355	236
Investment in associates and joint ventures	(544)	(565)
Deferred tax on undistributed profit	69	38
Others	7	(3)
	31,180	**33,026**
Adjustments recognised in the current year in relation to the current tax of prior years	(1,448)	(164)
Income tax expenses recognised in profit or loss	**29,732**	**32,862**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The tax rate used for the FY19 reconciliations above is the corporate tax rate of 34.944% (previous year 34.608%) payable by corporate entities in India on taxable profits under the Indian tax law.

30.2 Income tax recognised in other comprehensive income

	Year ended 31.03.2019	Year ended 31.03.2018
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Net fair value gain on investment in equity shares at FVTOCI	(2)	(26)
Net gain on designated portion of hedging instruments in cash flow hedges	(1)	1
Remeasurement of defined benefit obligation	152	65
Total income tax recognised in other comprehensive income	**149**	**40**
Bifurcation of the income tax recognised in other comprehensive income into: -		
Items that will not be reclassified to profit or loss	150	39
Items that may be reclassified to profit or loss	(1)	1
	149	**40**

31 Segment Information

The Group is primarily in the business of manufacturing, purchase and sale of motor vehicles, components and spare parts ("automobiles"). The other activities of the Group comprise facilitation of pre-owned car sales, fleet management car financing and servicing of the car manufactured by the Group. The income from these activities is not material in financial terms but such activities contribute significantly in generating demand for the products of the Group.

The board of directors, which has been identified as being the chief operating decision maker (CODM), evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group as a single unit. Therefore there is no reportable segment for the Group.

31.1 Group wide disclosure

	Domestic	Overseas	Total
Revenue from operations			
2018-19	803,379	57,306	860,685
2017-18	762,203	58,208	820,411
Non current segment assets			
As at 31.03.2019	174,737	-	**174,737**
As at 31.03.2018	161,782	-	**161,782**

a) Domestic information includes sales and services rendered to customers located in India.

b) Overseas information includes sales and services rendered to customers located outside India.

c) Non-current segment assets includes property, plant and equipment, capital work in progress, intangible assets and capital advances.

Notes to the Consolidated Financial Statements

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32 Earnings Per Share

	Year ended 31.03.2019	Year ended 31.03.2018
Basic earnings per share (₹)	253.26	260.88
Diluted earnings per share (₹)	253.26	260.88
Profit attributable to the equity holders of the Group used in calculating basic earnings per share and diluted earnings per share	76,506	78,807
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	302,080,060	302,080,060

33 Employee Benefit Plans

The various benefits provided to employees by the Group are as under:

A. Defined contribution plans

a) Superannuation fund

b) Post Employment Medical Assistance Scheme

c) Employers contribution to Employee State Insurance

d) Employers contribution to Employee's Pension Scheme 1995

During the year the Group has recognised the following amounts in the statement of profit and loss:

	Year ended 31.03.2019	Year ended 31.03.2018
Employers contribution to Superannuation Fund *	120	82
Employers contribution on Post Employment Medical Assistance Scheme *	10	10
Employers contribution to Employee State Insurance*	64	77
Employers contribution on Employee's Pension Scheme 1995*	290	286

* Included in 'Contribution to provident and other funds'

B. Defined benefit plans and other long term benefits

a) Contribution to Gratuity Funds - Employee's Gratuity Fund

b) Leave encashment / compensated absence

c) Retirement allowance

d) Provident fund

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The probability or likelihood of lower returns as compared to the expected return on any particular investment.

Interest risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

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Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.19				
Discount rate(s)	8.65%	7.70%	7.70%	7.70%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	25	25	25	25
As at 31.03.18				
Discount rate(s)	8.55%	7.80%	7.80%	7.80%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	25	25	25	25

Components of expenses recognised in the statement of profit or loss in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.19				
Current service cost	701	372	283	14
Past service cost	-	-	-	-
Actuarial Loss / (gain)	-	578	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	221	(1)	5
Expenses recognised in profit and loss	**701**	**1,171**	**282**	**19**
Year ended 31.03.18				
Current service cost	551	328	132	12
Past service cost	-	-	201	-
Actuarial Loss / (gain)	-	290	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	188	-	5
Expenses recognised in profit and loss	**551**	**806**	**333**	**17**

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Components of expenses recognised in the other comprehensive income in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.19				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	54	1
- changes in financial assumptions	-	-	421	(14)
- experience variance	-	-	-	-
- others	-	-	(26)	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	-	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**449**	**(13)**
Year ended 31.03.18				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	(74)	(1)
- experience variance	-	-	225	(13)
- others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	59	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**210**	**(14)**

The current service cost and the interest expense for the year are included in the 'Employee benefits expense' in the profit or loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.19				
Present value of obligation	19,439	3,522	3,743	75
Fair value of plan assets	20,079	-	3,752	-
Surplus / (deficit)	**640**	**(3,522)**	**9**	**(75)**
Effects of asset ceilling, if any *	640	-	9	-
Net asset / (liability)	**-**	**(3,522)**	**-**	**(75)**
As at 31.03.18				
Present value of obligation	16,672	2,925	2,938	69
Fair value of plan assets	17,292	-	2,946	-
Surplus / (deficit)	**620**	**(2,925)**	**8**	**(69)**
Effects of asset ceilling, if any *	620	-	8	-
Net asset / (liability)	**-**	**(2,925)**	**-**	**(69)**

* The Company has an obligation to make good the shortfall, if any.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Classification into long term and short term:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.19				
Classified as long term	-	-	-	72
Classified as short term	-	3,522	-	3
Total	**-**	**3,522**	**-**	**75**
As at 31.03.18				
Classified as long term	-	-	-	66
Classified as short term	-	2,925	-	3
Total	**-**	**2,925**	**-**	**69**

Movement in the present value of the defined benefit obligation are as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.19				
Present value of obligation as at the beginning	**16,672**	**2,925**	**2,938**	**69**
Current service cost	701	372	283	14
Interest expense or cost	1,517	221	230	5
Employees' contribution	1,864	-	-	-
Transfer in	17	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	23	54	1
- experience variance	-	555	421	(14)
- others	-	-	-	-
Past service cost	-	-	-	-
Benefits paid	(1,332)	(574)	(183)	-
Present value of obligation as at the end	**19,439**	**3,522**	**3,743**	**75**

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	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.18				
Present value of obligation as at the beginning	**13,938**	**2,548**	**2,401**	**66**
Current service cost	551	328	132	12
Interest expense or cost	1,300	187	182	5
Employees' contribution	1,542	-	-	-
Transfer in	10	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	(34)	(74)	(1)
- experience variance	-	324	225	(13)
- others	-	-	-	-
Past service cost	-	(3)	196	-
Benefits paid	(669)	(425)	(124)	-
Present value of obligation as at the end	**16,672**	**2,925**	**2,938**	**69**

Movement in the fair value of the plan assets are as follows:

	Provident Fund	Employees Gratuity Fund
Year ended 31.03.19		
Fair value of plan assets at the beginning	**17,292**	**2,947**
Interest income	1,479	227
Employer's contribution	701	732
Employees' contribution	1,864	-
Transfer in	75	-
Benefits paid	(1,332)	(183)
Actuarial Gain/(Loss) on Plan Assets	-	29
Fair value of plan assets as at the end	**20,079**	**3,752**
Year ended 31.03.18		
Fair value of plan assets at the beginning	**14,247**	**2,404**
Interest income	1,232	180
Employer's contribution	551	547
Employees' contribution	1,542	-
Transfer in	10	(5)
Benefits paid	(669)	(124)
Actuarial Gain/(Loss) on Plan Assets	379	(56)
Fair value of plan assets as at the end	**17,292**	**2,946**

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Major categories of plan assets (as percentage of total plan assets)

	Provident Fund	Employees Gratuity Fund
As at 31.03.19		
Government Securities (Central & State)	46%	0%
Corporate Bonds	47%	0%
Equity Mutual Funds	5%	0%
Fund managed by insurer (including ULIPs)	0%	84%
Special deposit scheme	1%	0%
Cash & cash equivalents	1%	16%
Total	**100%**	**100%**
As at 31.03.18		
Government Securities (Central & State)	46%	0%
Corporate Bonds	46%	0%
Equity Mutual Funds	2%	0%
Fund managed by insurer (including ULIPs)	0%	84%
Special deposit scheme	2%	0%
Cash & cash equivalents	4%	16%
Total	**100%**	**100%**

The fair value of the above ULIP schemes are determined based on the Net Asset Value (NAV). Moreover, for other investments the fair value is taken as per the account statements of the insurance companies.

The average duration of the defined benefit obligation of gratuity fund at 31.03.19 is 14 years (as at 31.03.18: 14 years).

The Group expects to make a contribution of ₹ 310 million (as at 31.03.18: ₹ 173 million) to the defined benefit plans during the next financial year.

Sensitivity analysis

Significant actuarial assumption for the determination of defined obligation are discount rate, expected salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant.

If the discount rate increases (decreases) by 1%, the defined benefit obligation would decrease by ₹ 663 million (increase by ₹ 789 million) (as at 31.03.18: decrease by ₹ 508 million (increase by ₹ 604 million)).

If the expected salary growth rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 740 million (decrease by ₹ 638 million) (as at 31.03.18: increase by ₹ 567 million (decrease by ₹ 490 million)).

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34 Financial Instruments and Risk Management
34.1 Financial instruments by category

	As at 31.03.2019				As at 31.03.2018			
	FVTPL	FVOCI	Amortised cost	Total Carrying Value	FVTPL	FVOCI	Amortised cost	Total Carrying Value
Financial assets								
Investments*								
- in equity instruments	-	9,026	-	9,026	-	10,771	-	10,771
- in debt mutual funds	354,810	-	-	354,810	340,820	-	-	340,820
Trade Receivable	-	-	23,128	23,128	-	-	14,654	14,654
Cash and bank balances	-	-	1,878	1,878	-	-	740	740
Loans	-	-	163	163	-	-	32	32
Security deposits	-	-	216	216	-	-	200	200
Foreign currency / commodity forward contracts	72	-	-	72	109	-	-	109
Interest accrued	-	-	22	22	-	-	22	22
Recoverable from related parties	-	-	4,708	4,708	-	-	2,464	2,464
Others	-	-	290	290	-	-	379	379
Total financial assets	**354,882**	**9,026**	**30,405**	**394,313**	**340,929**	**10,771**	**18,491**	**370,191**
Financial liabilities								
Borrowings	-	-	1,576	1,576	-	-	1,208	1,208
Current maturities of long term debts	-	-	20	20	-	-	-	-
Trade payables	-	-	96,377	96,377	-	-	104,993	104,993
Deposits from dealers, contractors and others	-	-	7,020	7,020	-	-	2,862	2,862
Payable to capital creditors	-	-	6,411	6,411	-	-	9,881	9,881
Interest accrued	-	-	46	46	-	-	20	20
Unpaid dividend	-	-	19	19	-	-	12	12
Book overdraft	-	-	898	898	-	-	548	548
Foreign currency / commodity forward contracts	-	-	-	-	-	2	-	2
Others	-	-	6	6	-	-	13	13
Total financial liabilities	**-**	**-**	**112,373**	**112,373**	**-**	**2**	**119,537**	**119,539**

* Investment value excludes carrying value of equity accounted investment in joint ventures and investment in associates of ₹ 11,198 million (as at 31.03.2018 : ₹ 9,639 million).

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Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31.03.2019	Notes No	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	316,446	38,364	-	**354,810**
Foreign currency / commodity forward contracts	9	-	72	-	**72**
Financial instruments at FVTOCI					
Quoted equity instruments	6	8,577	-	-	**8,577**
Unquoted equity instruments	6	-	-	449	**449**
Total financial assets		**325,023**	**38,436**	**449**	**363,908**
Financial liabilities					
Financial instruments at FVTOCI					
Foreign currency / commodity forward contracts	17	-	-	-	**-**
Total financial liabilities		**-**	**-**	**-**	**-**

As at 31.03.2018	Notes No	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	308,518	32,302	-	**340,820**
Foreign currency / commodity forward contracts	9	-	109	-	**109**
Financial instruments at FVTOCI					
Quoted equity instruments	6	10,334	-	-	**10,334**
Unquoted equity instruments	6	-	-	437	**437**
Foreign currency / commodity forward contracts	9	-	-	-	**-**
Total financial assets		**318,852**	**32,411**	**437**	**351,700**
Financial liabilities					
Financial instruments at FVTOCI					
Foreign currency / commodity forward contracts	17	-	2	-	2
Total financial liabilities		**-**	**2**	**-**	**2**

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

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Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, ie. Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Derivative contracts: The Group has entered into variety of foreign currency and commodity forward contracts and swaps to manage its exposure to fluctuations in foreign exchange rates and commodity price risk. These financial exposures are managed in accordance with the Group's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

	Unlisted equity instruments
As at 01.04.2017	**317**
Acquisition	-
Gains/(losses) recognised	
- in other comprehensive income	120
As at 31.03.2018	**437**
Acquisition	-
Gains/(losses) recognised	
- in other comprehensive income	12
As at 31.03.2019	**449**

34.2 Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Business commitment and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

The financial risk management of the Group is carried out under the policies approved by the Board of Directors. Within these policies, the Board provides written principles for overall risk management including policies covering specific areas, such as foreign exchange risk management, commodity risk management and investment of funds.

(A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables, loans and advances and derivative instruments. None of the financial instruments of the Group results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

	Notes No	As at 31.03.2019	As at 31.03.2018
Loans - non current	7	125	125
Trade receivables	8	25	26
Other financial assets - current	9	28	-

Other than financial assets mentioned above, none of the finanacial assets were impaired and there were no indications that defaults in payment obligations would occur.

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(B) Liquidity risk

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Group operates with a low Debt Equity ratio. The Group raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk. The Group has access to the borrowing facilities of ₹ 30,000 million as at 31.03.2019 (₹ 29,850 million as at 31.03.2018) to honour any liquidity requirements arising for business needs. The Group has large investments in debt mutual funds which can be redeemed on a very short notice and hence carries negligible liquidity risk.

(i) Financing arrangements

The Group had access to the following borrowing facilities at the end of the reporting period:

	As at 31.03.2019	As at 31.03.2018
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	30,000	29,850
- Expiring beyond one year (bank loans)	-	-
	30,000	**29,850**

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

	Less than 1 year	More than 1 year	Total
As at March 31, 2019			
Borrowings	1,496	80	1,576
Trade payables	96,377	-	96,377
Other financial liabilities	14,420	-	14,420
	112,293	**80**	**112,373**
As at March 31, 2018			
Borrowings	1,108	100	1,208
Trade payables	104,993	-	104,993
Other financial liabilities	13,338	-	13,338
	119,439	**100**	**119,539**

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(C) Market risk

(i) Foreign currency risk

The Group has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the foreign currency risk management policy approved by the board of directors. The Group enters into derivative financial instruments to mitigate the foreign currency risk and interest rate risk including,

a) forward foreign exchange and options contracts for foreign currency risk mitigation

b) foreign currency interest rate swaps to mitigate foreign currency & interest rate risk on foreign currency loan.

Foreign currency risk exposure

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in INR, are as follows:

(In Millions)

As at March 31, 2019	JPY	USD	EURO	GBP	SGD	CHF
Financial assets						
Trade Receivables	5,102	3,141	68	-	-	-
Foreign Exchange Derivative Contracts	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**5,102**	**3,141**	**68**	**-**	**-**	**-**
Financial liabilities						
Trade payables and other financial liabilites	15,313	1,532	614	22	-	1
Foreign Exchange Derivative Contracts	(4,440)	-	(614)	-	-	-
Net exposure to foreign currency risk (liabilities)	**10,873**	**1,532**	**-**	**22**	**-**	**1**

(In Millions)

As at March 31, 2018	JPY	USD	EURO	GBP	SGD
Financial assets					
Trade Receivables	2,700	2,600	71	-	-
Foreign Exchange Derivative Contracts	-	(776)	-	-	-
Net exposure to foreign currency risk (assets)	**2,700**	**1,824**	**71**	**-**	**-**
Financial liabilities					
Trade payables and other financial liabilites	17,991	1,899	1,327	4	155
Foreign Exchange Derivative Contracts	(5,173)	-	(758)	-	-
Net exposure to foreign currency risk (liabilities)	**12,818**	**1,899**	**569**	**4**	**155**

Foreign currency sensitivity analysis

The Group is mainly exposed to JPY, USD and EURO.

The following table details the Group's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items

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as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

	Year ended 31.03.2019		Year ended 31.03.2018	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Impact on profit or loss for the year				
JPY impact	1,021	(1,021)	1,529	(1,529)
USD Impact	(161)	161	(70)	70
EURO Impact	55	(55)	126	(126)

(ii) Security price risk

Exposure in equity

The Group is exposed to equity price risks arising from equity investments held by the Group and classified in the balance sheet as fair value through OCI.

Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher / lower:

Other comprehensive income for the year ended 31st March 2019 would increase / (decrease) by ₹ 451 million (for the year ended 31st March 2018: increase / decrease by ₹ 539 million) as a result of the change in fair value of equity investment measured at FVTOCI.

Exposure in mutual funds

The Group manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Group is exposed to price risk on such Investments.

Mutual fund price sensitivity analysis

The sensitivity analyses below have been determined based on Mutual Fund Investment at the end of the reporting period.

If NAV had been 1% higher / lower:

Profit for year ended 31.03.2019 would increase / (decrease) by ₹ 3,548 million (for the year ended 31.03.2018 by ₹ 3,408 million) as a result of the changes in fair value of mutual fund investments.

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34.3 Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group has large investments in debt mutual fund schemes where in underlying portfolio is spread across securities issued by different issuers having different credit ratings. The credit risk of investments in debt mutual fund schemes is managed through investment policies and guidelines requiring adherence to stringent credit control norms based on external credit ratings. The credit quality of the entire portfolio investments is monitored on a quarterly basis. The Group's overall strategy remains unchanged from previous year.

The following table details the debt and equity at the end of the reporting period:

	As at 31.03.2019	As at 31.03.2018
Borrowings	1,596	1,208
Cash and cash equivalents	(1,859)	(728)
Net debt	(263)	480
Total equity	470,921	425,594
Net debt to equity ratio	-	0.001

The Group is not subject to any externally imposed capital requirements.

34.4 Foreign exchange derivative contracts

The Group follows a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered necessary from time to time. Depending on the future outlook on currencies, the Group may keep the exposures unhedged or hedged only as a part of the total exposure.

The Company does not enter into a foreign exchange derivative transactions for speculative purposes.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	Avg. Exchange Rate	Foreign Currency	Nominal Amount	Fair value asset / (liabilities)
Cash flow hedges				
Sell USD (Less than 3 months)				
31.03.2019	-	-	-	-
31.03.2018	65.18	12	785	(2)

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35 Details Of Group Companies

35.1 Maruti Suzuki India Limited (The Company) has two subsidiaries, two joint venture companies and fourteen associate companies (The Group), as given in the following table:

Sl No	Name of Company	Relationship	Country of Incorporation	Percentage of ownership interest: As on 31st March 2019	Percentage of ownership interest: As on 31st March 2018
1	True Value Solutions Limited	Subsidiary	India	100.00	100.00
2	J.J Impex (Delhi) Private Limited	Subsidiary	India	50.87	50.87
3	Plastic Omnium Auto Inergy Manufacturing India Private Limited	Joint Venture	India	26.00	26.00
4	Magneti Marelli Powertrain India Private Limited	Joint Venture	India	19.00	19.00
5	Bharat Seats Limited	Associates	India	14.81	14.81
6	Jay Bharat Maruti Limited	Associates	India	29.28	29.28
7	Machino Plastics Limited	Associates	India	15.35	15.35
8	Caparo Maruti Limited	Associates	India	25.00	25.00
9	Hanon Climate Systems India Private Limited	Associates	India	39.00	39.00
10	Krishna Maruti Limited	Associates	India	15.80	15.80
11	SKH Metals Limited	Associates	India	37.03	37.03
12	Nippon Thermostat (India) Limited	Associates	India	10.00	10.00
13	Mark Exhaust Systems Limited	Associates	India	44.37	44.37
14	Bellsonica Auto Component India Private Limited	Associates	India	30.00	30.00
15	FMI Automotive Components Private Limited	Associates	India	49.00	49.00
16	Manesar Steel Processing India Private Limited	Associates	India	11.83	11.83
17	Maruti Insurance Broking Private Limited	Associates	India	46.26	46.26
18	Bahucharaji Rail Corporation Limited	Associates	India	33.00	0.00

35.2 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries/Associates/Joint Ventures

Name of Company	Net Assets (Total Assets less Total Liability)				Share in Profit & Loss			
	As at 31st March 2019		As at 31st March 2018		FY 18-19		FY 17-18	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Total Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
Parent Company								
1 Maruti Suzuki India Limited	97.94%	461,415	98.08%	417,573	97.98%	72,976	98.07%	80,530
Subsidiaries								
1 True Value Solutions Limited	0.00%	2	0.00%	2	0.00%	-	0.00%	-
2 J.J Impex (Delhi) Private Limited	0.08%	358	0.08%	328	0.04%	30	0.02%	13
Adjustments arising out of consolidation	-0.06%	(258)	-0.06%	(243)	-0.02%	(15)	-0.01%	(8)
Total of Subsidiaries	**0.02%**	**102**	**0.02%**	**87**	**0.02%**	**15**	**0.01%**	**5**

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Name of Company	Net Assets (Total Assets less Total Liability) As at 31st March 2019		As at 31st March 2018		Share in Profit & Loss FY 18-19		FY 17-18	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Total Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
Minority Interests in all subsidiaries	0.04%	176	0.04%	161	0.02%	15	0.01%	7
Joint Ventures								
1 Plastic Omnium Auto Inergy Manufacturing India Private Limited	0.05%	221	0.05%	210	0.01%	11	0.04%	30
2 Magneti Marelli Powertrain India Private Limited	0.32%	1,527	0.28%	1,254	0.37%	273	0.29%	237
Total of Joint Ventures	**0.37%**	**1,748**	**0.33%**	**1,464**	**0.38%**	**284**	**0.33%**	**267**
Adjustments arising out of consolidation	0.00%	(1)	0.00%	(2)	0.00%	1	0.00%	(2)
Less: Investment in Joint Ventures	-0.03%	(152)	-0.04%	(152)	0.00%	-	0.00%	-
Associates								
1 Bharat Seats Limited	0.03%	155	0.03%	129	0.03%	26	0.05%	37
2 Jay Bharat Maruti Limited	0.25%	1,183	0.25%	1,055	0.17%	128	0.20%	163
3 Machino Plastics Limited	0.02%	93	0.02%	89	0.01%	4	-0.01%	(8)
4 Caparo Maruti Limited	0.08%	361	0.09%	373	-0.02%	(12)	0.02%	16
5 Hanon Climate Systems India Private Limited	0.19%	899	0.18%	771	0.17%	128	0.02%	20
6 Krishna Maruti Limited	0.17%	814	0.15%	630	0.25%	184	0.17%	139
7 SKH Metals Limited	0.11%	519	0.12%	504	0.02%	15	0.05%	41
8 Nippon Thermostat (India) Limited	0.00%	3	0.00%	4	0.00%	(1)	0.00%	-
9 Mark Exhaust Systems Limited	0.07%	314	0.07%	283	0.04%	31	0.03%	27
10 Bellsonica Auto Component India Private Limited	0.06%	283	0.08%	354	-0.10%	(71)	0.08%	65
11 FMI Automotive Components Private Limited	0.14%	650	0.14%	576	0.10%	74	0.11%	87
12 Manesar Steel Processing India Private Limited	0.01%	50	0.01%	45	0.01%	5	0.00%	3
13 Maruti Insurance Broking Private Limited	0.88%	4,125	0.79%	3,363	1.03%	762	0.94%	776
14 Bahucharaji Rail Corporation Limited	0.00%	3	0.00%	-	0.00%	-	0.00%	-
Total of Associates	**2.01%**	**9,452**	**1.93%**	**8,176**	**1.71%**	**1273**	**1.66%**	**1,366**
Adjustments arising out of consolidation	-0.01%	(63)	-0.01%	(44)	-0.03%	(19)	-0.02%	(17)
Less: Investment in Associates	-0.23%	(1,085)	-0.25%	(1,082)	0.00%	-	0.00%	-
Deferred Tax Liabilities on Undistributed Profits of associates and joint ventures	-0.11%	(495)	-0.10%	(426)	-0.08%	(69)	-0.05%	(38)
Total	**100.00%**	**471,097**	**100.00%**	**425,755**	**100.00%**	**74,476**	**100.00%**	**82,118**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

36 Related Party Transactions

36.1 Description of related parties

Holding Company	**Associates**
Suzuki Motor Corporation, Japan (SMC)	Bharat Seats Limited
	Caparo Maruti Limited
Joint Ventures	Jay Bharat Maruti Limited
Magneti Marelli Powertrain India Private Limited	Krishna Maruti Limited
Plastic Omnium Auto Inergy Manufacturing India Private Limited	Machino Plastics Limited
	SKH Metals Limited
	Nippon Thermostat (India) Limited
	Bellsonica Auto Component India Private Limited
	Mark Exhaust Systems Limited
	FMI Automotive Components Private Limited
Post Retirement Benefit Plans	Maruti Insurance Broking Private Limited
Maruti Suzuki India Limited - Employees Group Gratuity Fund	Manesar Steel Processing India Private Limited
Maruti Suzuki India Limited - Employees Provident Fund Trust	Hanon Climate Systems India Private Limited
Maruti Suzuki India Limited - Employees Superannuation Fund	Bahucharaji Rail Corporation Limited

Fellow Subsidiaries (only with whom the Company had transactions during the current year)

Magyar Suzuki Corporation Ltd.	Suzuki Motor (Thailand) Co., Ltd.
Suzuki Motor Gujarat Private Limited	Suzuki Thilawa Motor Co. Ltd
Suzuki Assemblers Malaysia Sdn.Bhd	Suzuki Motorcycle India Private Limited
Cambodia Suzuki Motor Co. Ltd.	Thai Suzuki Motor Co., Ltd.
Suzuki Motor De Mexico	Suzuki (Myanmar) Motor Co., Ltd.
Vietnam Suzuki Corporation	Suzuki Malaysia Automobile Sdn. Bhd.
Suzuki International Europe G.M.B.H.	Suzuki New Zealand Ltd.
Suzuki Australia Pty. Ltd.	Pt Suzuki Indomobil Motor
Suzuki Motor Poland Sp. Z.O.O.	Suzuki Austria Automobile Handels G.M.B.H.
Suzuki Gb Plc	Suzuki France S.A.S.
Suzuki Auto South Africa (Pty) Ltd	Suzuki Italia S.P.A.
Suzuki Philippines Inc.	Suzuki Motor Iberica, S.A.U.
Taiwan Suzuki Automobile Corporation	Automotive Electronics Power Private Ltd.

Others (Associate of holding company with whom the Company had transactions during the current year)

Chongqing Changan Suzuki Automobile Co. Ltd.

Key Management Personnel (KMP)

Mr R. C. Bhargava	Chairman
Mr. Kenichi Ayukawa	Managing Director & CEO
Mr. Kazunari Yamaguchi	Director (w.e.f. January 26, 2018)
Mr. O. Suzuki	Director
Mr. T. Suzuki	Director
Mr. Toshiaki Hasuike	Director
Mr. Shigetoshi Torii	Director (till January 25, 2018)
Mr. K. Ayabe	Director
Mr. K. Saito	Director
Mr. Davinder Singh Brar	Independent Director
Mr. Rajinder Pal Singh	Independent Director
Ms. Pallavi Shroff	Independent Director
Ms. Renu Sud Karnad	Independent Director
Mr. Ajay Seth	Chief Financial Officer
Mr. S. Ravi Aiyar	Company Secretary (till February 28, 2018)
Mr. Sanjeev Grover	Company Secretary (w.e.f. March 21, 2018)
Late Mr. Amal Ganguli	Independent Director (till May 7, 2017)

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

36.2 Transaction with related parties

	For the year ended 31.03.2019	For the year ended 31.03.2018
Sale of goods to:		
- Holding Company	17,906	22,836
- Fellow Subsidiaries		
- Suzuki Motorcycle India Private Limited	10,029	8,106
- Suzuki Auto South Africa (Pty) Ltd	4,622	3,672
- Others	4,477	4,877
- Others	6	-
	37,040	**39,491**
Sale of property, plant & equipment to:		
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	120	25
- Suzuki Motorcycle India Private Limited	181	205
	301	**230**
Purchase of goods from:		
- Holding Company	18,012	14,150
- Associates	60,475	59,357
- Joint Ventures	8,966	8,553
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	90,433	50,818
-Others	3,575	2,613
- Others	49	-
	181,510	**135,491**
Purchase of property, plant & equipment and intangible assets from:		
- Holding Company	3,329	1,704
- Associates		
- Jay Bharat Maruti Limited	1,016	524
- Others	863	776
- Joint Ventures	39	6
	5,247	**3,010**
Finance income / commission / dividend from:		
- Associates		
- Jay Bharat Maruti Limited	16	16
- Bharat Seats Limited	5	4
- Others	1	130
- Joint Ventures		
- Plastic Omnium Auto Inergy Manufacturing India Private Limited	22	15
	44	**165**
Other operating revenue / other income from:		
- Holding Company	4,022	347
- Associates	81	73
- Joint Ventures	12	5
- Fellow Subsidiaries	110	140
	4,225	**565**

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(All amounts in ₹ million, unless otherwise stated)

	For the year ended 31.03.2019	For the year ended 31.03.2018
Recovery of expenses from:		
- Holding Company	1,047	440
- Associates	714	659
- Joint Ventures	288	201
- Fellow Subsidiaries		
-Suzuki Motor Gujarat Private Limited	7,258	2,725
- Others	61	50
	9,368	**4,075**
Services received from:		
- Holding Company	1,962	1,705
- Associates	4	5
- Joint Ventures	3	-
	1,969	**1,710**
Dividend paid to:		
- Holding Company	13,583	12,734
	13,583	**12,734**
Royalty expenses:		
- Holding Company	44,983	40,352
	44,983	**40,352**
Other expenses:		
- Holding Company	335	145
- Associates	18	33
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	4,912	2,922
- Others	14	222
	5,279	**3,322**

	As at 31.03.2019	As at 31.03.2018
Trade Receivables:		
- Holding Company	5,134	2,776
- Associates	38	34
- Fellow Subsidiaries		
- Suzuki Motorcycle India Private Limited	1,026	1,091
- Suzuki Motor Gujarat Private Limited	527	524
- Others	258	704
- Others	7	-
	6,990	**5,129**
Other current assets:		
- Holding Company	48	26
- Associates	1	334
- Fellow Subsidiaries		
-Suzuki Motor Gujarat Private Limited	1,899	5,382
- Others	-	2
- Joint Ventures	-	71
	1,948	**5,815**

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(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
Other financial assets:		
- Holding Company	1,327	411
- Associates	247	290
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	3,134	1,717
- Others	-	46
	4,708	**2,464**
Other non current assets:		
- Holding Company	112	149
- Associates		
- SKH Metals Limited	98	163
-Jay Bharat Maruti Limited	99	542
-Krishna Maruti Limited	86	8
- Others	7	158
- Fellow Subsidiaries	42	-
	444	**1,020**
Goods in transit:		
- Holding Company	1,614	1,526
- Fellow Subsidiaries	203	129
	1,817	**1,655**
Trade payable:		
- Holding Company	20,197	24,408
- Associates	6,465	6,616
- Joint Ventures	781	414
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	4,276	2,480
- Others	213	260
- Others	6	-
	31,938	**34,178**
Other financial liabilities		
- Holding Company	1,266	1,634
- Associates	85	556
	1,351	**2,190**

36.3 Key management personnel compensation

	For the year ended 31.03.2019	For the year ended 31.03.2018
Short-term benefits	155	163
Post-employment benefits	1	1
Other long-term benefits	1	-
Total Compensation*	**157**	**164**
Mr. Kenichi Ayukawa	50	45
Mr. Ajay Seth	31	26
Mr. S. Ravi Aiyar (till 28-Feb-18)	-	34
Mr. Sanjeev Grover (w.e.f. 21-Mar-18)	8	0
Mr. Kazunari Yamaguchi (w.e.f. 26-Jan-18)	33	5
Others	35	54
Total Compensation	**157**	**164**

*Refer to note-33 for employee benefit plans.

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37 Operating Lease Arrangements

The Group as a Lessee

Leasing arrangements

The Group has entered into operating lease arrangements for various land. These arrangements are non-cancellable in nature and range between fifteen to ninty nine years. Lease rental expense is set out in note 29 as 'Rent' in 'Other expenses'. The future minimum lease commitments under non-cancellable operating leases are as under:

Non-cancellable operating lease commitments

	As at 31.03.2019	As at 31.03.2018
Within one year	60	59
Later than one year but less than five years	268	257
Later than five years	294	366
	622	**682**

The Group as a Lessor

Leasing arrangements

The Group has entered into operating lease arrangements for various land and premises. These arrangements are both cancellable and non-cancellable in nature and range between three to fifteen years. Lease rental income earned by the Company is set out in Note 23 as 'Rental income'. The future minimum lease receivables under non-cancellable operating leases are as under:

Non-cancellable operating lease receivables

	As at 31.03.2019	As at 31.03.2018
Within one year	88	102
Later than one year but less than five years	353	437
Later than five years	597	1,117
	1,038	**1,656**

38 Capital & Other Commitments

	As at 31.03.2019	As at 31.03.2018
Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for	27,589	32,718
Outstanding commitments under Letters of Credit established by the Group	2,192	2,162

39 Export Promotion Capital Goods (EPCG)

Export Promotion Capital Goods (EPCG) allows import of capital goods including spares for pre-production, production and post production at zero duty subject to an export obligation of 6 times of duty saved on capital goods imported under EPCG scheme, to be fulfilled in 6 years reckoned from authorization issue date.

The company has been availing the benefit and has been importing capital goods under the scheme at zero custom duty. The company has accounted for the benefits received in accordance with the Ind AS 20- Accounting for Government Grants and Disclosure of Government Assistance.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The benefits (saving of custom duty) obtained from government has been treated as a Government Grant, which has been accounted for as deferred benefit under other non-current liabilities and recognised as a cost of property, plant and equipment. As per the EPCG scheme, the company has an export obligation equivalent to 6 times of duty saved. The deferred benefit accounted for, shall be credited to statement of profit and loss on a pro-rata basis as and when the export obligation is fulfilled.

40 Contingent Liabilities

A) Claims against the Group disputed and not acknowledged as debts:

		As at 31.03.2019	As at 31.03.2018
(i)	**Excise Duty**		
(a)	Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	1,624	1,598
(b)	Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	13,884	12,691
	Total	**15,508**	**14,289**
	Amount deposited under protest	1,694	1,601
(ii)	**Service Tax**		
(a)	Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	1,211	1,063
(b)	Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	3,569	2,851
(c)	Show cause notices on issues yet to be adjudicated	12	158
	Total	**4,792**	**4,072**
	Amount deposited under protest	60	61
(iii)	**Income Tax**		
(a)	Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	10,370	5,447
(b)	Cases pertaining to issues decided in favour of the Company for an earlier year but the Income Tax Department have raised a demand for a similar issue for subsequent years and are pending before Appellate authorities / Dispute Resolution Panel pursuant to appeals filed by the Company	30,529	28,464
(c)	Other cases pending before Appellate authorities / Dispute Resolution Panel in appeals filed by the Company	23,830	18,984
	Total	**64,729**	**52,895**
	Amount deposited under protest	4,789	3,899
(iv)	**Custom Duty**		
(a)	Cases pending before Appellate authorities in respect of which the Company has filed appeals	81	108
(b)	Others	70	60
	Total	**151**	**168**
	Amount deposited under protest	-	25
(v)	**Sales Tax**		
	Cases pending before Appellate authorities in respect of which the Company has filed appeals	12	70
	Amount deposited under protest	3	20
(vi)	**Claims**		
	Claims against the Company lodged by various parties	1,046	1,020
	Others	1,929	31

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
(vii) Group's share in Associate's and Joint Venture's Contingent Liabilities		
Contingent liabilities incurred by the Group arising from its interest in joint venture (a)	84	168
Contingent liabilities incurred by the Group arising from its interest in associates (a)	1,080	1,973
Group's share of joint ventures' contingent liabilities (b)	22	32
Group's share of associates' contingent liabilities (b)	366	591

(a) A number of contingent liabilites have arisen as a result of the Group's interest in its joint venture and associates. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Group as an investor is liable. The extent to which an outflow of funds will be required is dependent on the future operations of the joint venture. The Group is not contingently liable for the liabilities of other venturers in the joint ventures.

(b) The amount disclosed represents the Group's share of contingent liabilities of joint ventures and associates. The extent to which an outflow of funds will be required is dependent on the future operations of the associates being more or less favourable than currently expected.

(viii) In respect of disputed Local Area Development Tax (LADT) (upto April 15, 2008) / Entry Tax, the amounts under dispute are ₹ 21 million (as at 31.03.2018: ₹ 21 million) for LADT and ₹ 20 million (as at 31.03.2018: ₹ 19 million) for Entry Tax. The State Government of Haryana has repealed the LADT effective from April 16, 2008 and introduced the Haryana Tax on Entry of Goods into Local Area Act, 2008 with effect from the same date.

(ix) The Competition Commission of India ("CCI") had passed an order dated August 25, 2014 stating that the Company has violated certain sections of the Competition Act, 2002 and has imposed a penalty of ₹ 4,712 million. An interim stay is in operation on the above order of the CCI pursuant to the writ petition filed by the Company before the Delhi High Court.

(x) The Hon'ble Supreme Court in a recent ruling has passed a judgement on the definition and scope of 'Basic Wages' under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company, if any, cannot be ascertained.

B) The amounts shown in the item (A) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Group or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

42 The Company entered into a 'Contract Manufacturing Agreement' (CMA) with Suzuki Motor Gujarat Private Limited (SMG), a fellow subsidiary of Suzuki Motor Corporation (SMC) on December 17, 2015 for a period of 15 years which automatically extends for a further period of 15 years, unless terminated by mutual agreement. SMG during the term of this agreement, shall manufacture and supply vehicles on an exclusive basis to MSIL in accordance with the terms of the CMA. Accordingly, expenses recorded during the year includes ₹ 4,912 million (previous year ₹ 2,921 million) towards the lease of specific Property, Plant & Equipment.

43 Auditors' Remuneration

	Year ended 31.03.2019	Year ended 31.03.2018
Statutory audit	16	16
Taxation matters	8	8
Other audit services / certification	4	4
Reimbursement of expenses	1	1

* excluding GST, Service Tax and Swachh Bharat & Krishi Kalyan Cess.

44 Excise Duty

Consequent to introduction of Goods and Services Tax (GST) with effect from 1st July, 2017; Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard - 18 on Revenue Recognition and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue. Accordingly, the figures for the year ended March 31, 2019 are not comparable with the year ended March 31, 2018.The following additional information is being provided to facilitate such understanding:

	Year ended 31.03.2019	Year ended 31.03.2018
A. Sale of products	830,385	803,488
B. Excise duty	-	22,317
C. Sale of products excluding excise duty (A) - (B)	830,385	781,171

For and on behalf of the Board of Directors

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

KAZUNARI YAMAGUCHI
Director
DIN : 07961388

AJAY SETH
Chief Financial Officer

SANJEEV GROVER
Chief General Manager & Company Secretary
ICSI Membership No : F3788

Place: New Delhi
Date: 25th April, 2019

AOC-1

(in ₹ million, unless otherwise stated)

PART "A" - Subsdiaries

1	Sl. No.	1	2
2	Name of the Subsidiary	J.J. Impex (Delhi) Private Limited	True Value Solutions Limited
3	The date since when Subsidiary was acquired	20-Apr-12	14-Jan-02
4	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidairies	NA	NA
6	Share Capital (in Millions)	88	1
7	Reserves & Surplus (in Millions)	270	1
8	Total Assets (in Millions)	572	2
9	Total Liabilities (in Millions)	214	-
10	Investments (in Millions)	-	-
11	Turnover (in Millions)	893	-
12	Profit before taxation (in Millions)	43	(0)
13	Provision for taxation (in Millions)	12	-
14	Profit after taxation (in Millions)	31	(0)
15	Proposed Dividend	-	-
16	% of shareholding	50.87%	100%

Note:
1 No subsidiaries are yet to commence operations.
2 No subsidiaries have been liquidated or sold during the year.
3 During the previous year, a Scheme of Amalgamation between the Company and its seven wholly owned subsidiaries, by the names of Maruti Insurance Business Agency Limited, Maruti Insurance Distribution Services Limited, Maruti Insurance Agency Network Limited, Maruti Insurance Agency Solutions Limited, Maruti Insurance Agency Services Limited, Maruti Insurance Agency Logistics Limited and Maruti Insurance Broker Limited became effective w.e.f. the appointed date, i.e., April 1, 2016 on completion of all required formalities on July 11, 2017 and approval of National Company Law Tribunal.

PART "B" - Associates and Joint Ventures

I. Associates

Sl. No.	Name of Associates/ Joint Ventures	Hanon Climate Systems India Private Limited	SKH Metals Limited	Jay Bharat Maruti Limited	Caparo Maruti Limited	Machino Plastics Limited	Bharat Seats Limited	Krishna Maruti Limited	Nippon Thermostat (India) Limited	Mark Exhaust Systems Limited	Bellsonica Auto Component India Private Limited	FMI Automotive Components Private Limited	Manesar Steel Processing India Private Limited	Maruti Insurance Broking Private Limited	Bahucharaji Rail Corporation Limited
1	Latest Audited Balance Sheet Date	31-Mar-18	31-Mar-18	31-Mar-19	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-19	NA
2	Date on which the Associate / Joint Venture was associated or acquired	21-Oct-92	07-Nov-86	30-Nov-88	01-Mar-95	15-Mar-89	17-Oct-88	30-Jul-93	20-Jun-95	09-Feb-01	21-Aug-06	01-Nov-07	23-Sep-10	24-Nov-10	21-Dec-18
3	Shares of Associate/ Joint Ventures held by the company on the year end														
	No.	518,700	2,645,000	6,340,000	2,500,000	941,700	4,650,000	670,000	125,000	4,437,465	3,540,000	44,100,000	6,840,000	231,275	330,000
	Amount of Investment in Associates/Joint Venture (in Millions)	52	49	16	25	5	5	7	1	57	354	441	68	2	3

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(in ₹ million, unless otherwise stated)

Sl. No.	Name of Associates/ Joint Ventures	Hanon Climate Systems India Private Limited	SKH Metals Limited	Jay Bharat Maruti Limited	Caparo Maruti Limited	Machino Plastics Limited	Bharat Seats Limited	Krishna Maruti Limited	Nippon Thermostat (India) Limited	Mark Exhaust Systems Limited	Bellsonica Auto Component India Private Limited	FMI Automotive Components Private Limited	Manesar Steel Processing India Private Limited	Maruti Insurance Broking Private Limited	Bahucharaji Rail Corporation Limited
	Extent of Holding %	39.00%	37.03%	29.28%	25.00%	15.35%	14.81%	15.80%	10.00%	44.37%	30.00%	49.00%	11.83%	46.26%	33.00%
4	Description of how there is significant influence	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions
5	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Networth attributable to shareholding as per latest audited Balance sheet (in Millions)	899	519	1,183	361	93	155	814	3	314	283	650	50	4,124	3
7	Profit/Loss for the year														
	i. Considered in Consolidation (in Millions)	128	15	128	(12)	4	26	184	(1)	31	(71)	74	5	762	-
	ii. Not Considered in Consolidation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

II. JointVentures

Sl. No.	Name of Associates/Joint Ventures	Plastic Omnium Auto Inergy Manufacturing India Private Limited	Magneti Marelli Powertrain India Private Limited
1	Latest Audited Balance Sheet Date	31-Mar-18	31-Mar-18
2	Date on which the Associate /Joint Venture was associated or acquired	07-May-10	09-Feb-01
3	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	6,656,000	8,550,000
	Amount of Investment in Associates/Joint Venture (in Millions)	67	85
	Extent of Holding %	26.00%	19.00%
4	Description of how there is significant influence	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions
5	Reason why the associate/joint venture is not consolidated	NA	NA
6	Networth attributable to shareholding as per latest audited Balance sheet (in Millions)		
a)	Share Capital (in Millions)	67	85
b)	Reserves & Surplus (in Millions)	154	1,442
7	Profit/Loss for the year		
	i. Considered in Consolidation (in Millions)	11	273
	ii. Not Considered in Consolidation	NA	NA

Note:

1 No associates or joint ventures are yet to commence operations except Bahucharaji Rail Corporation Limited.

2 The Profit after tax of Machino Plastics Limited, Hanon Climate Systems India Private limited, Krishna Maruti Limited,SKH Metals Limited, Nippon Thermostat (India) Limited, Bellsonica Auto Component India Private Limited, FMI Automotive Components Private Limited , Manesar Steel Processing India Private Limited, Magneti Marelli Powertrain India Limited and Plastic omnium Auto Inergy Manufactuiring India Private Limited, have been taken on the basis of unaudited financial statements for financial year ended 31st March 2019.

Annexure - A

Report on the performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company during the period under report

Maruti Suzuki India Limited has 2 subsidiaries, 2 joint ventures and 14 associates. These 18 companies collectively contribute 2.02 % of the total comprehensive income of the Group for the year ended 31st March 2019 and 2.06% of the total net assets of the Group as at 31st March 2019.

Subsidiaries

The subsidiaries contribute 0.04% of the total comprehensive income for the year ended 31st March 2019 and 0.06% of the total net assets of the Group as at 31st March 2019. Brief overviews of the Companies are given below:

J. J. Impex (Delhi) Private Limited (Subsidiary):

The Company became a subsidiary of Maruti Suzuki India Limited from year ended 31st March 2013. The Company is engaged exclusively in the business of sale of spares and servicing of cars manufactured by Maruti Suzuki India Limited.

True Value Solutions Limited

The Company was incorporated on 14th January 2002. The Company is a 100% subsidiary of Maruti Suzuki India Limited. The Company was formed to act as advisors and consultants to provide value added services of all description to owners and users of motor vehicles. No business activity has been carried out by the company during the year.

Joint Ventures and Associates

Joint Ventures and associates contribute 1.98% of the total comprehensive income for the year ended 31st March 2019 and 2.00% of the total net assets of the Group as at 31st March 2019.

Maruti Insurance Broking Private Limited (Associate):

The Company was incorporated in India on 24th November 2010. The Company is engaged in the business of insurance broking with license from the Insurance Regulatory Development Authority to carry on General Insurance Direct Broking Business.

During the year ended 31st March 2019, the Company has contributed 1.03% (previous year 0.94%) of the total comprehensive income of the Group.

Other Companies

The other joint ventures and associates of the company contribute 0.95% of the total comprehensive income for the year ended 31st March 2019. They are engaged in the business of manufacturing automotive components. Below is the list of joint ventures and associates:

1. Plastic Omnium Auto Inergy Manufacturing India Private Limited
2. Magneti Marelli Powertrain India Private Limited
3. Bellsonica Auto Component India Private Limited
4. Machino Plastics Limited
5. Mark Exhaust Systems Limited
6. Manesar Steel Processing (India) Private Limited
7. Bharat Seats Limited
8. Jay Bharat Maruti Limited
9. FMI Automotive Components Private Limited
10. Hanon Climate Systems India Private Limited
11. Caparo Maruti Limited
12. SKH Metals Limited
13. Krishna Maruti Limited
14. Nippon Thermostat (India) Limited
15. Bahucharaji Rail Corporation Limited

CIN: L34103DL1981PLC011375

Registered Office
1, Nelson Mandela Road, Vasant Kunj,
New Delhi - 110 070
Ph. No.: +91 11 4678 1000
Fax No.: +91 11 4615 0275
www.marutisuzuki.com
investor@maruti.co.in

Registrar and Transfer Agent
Karvy Fintech Private Limited
Karvy Selenium Tower - B, 8th Floor,
Plot 31-32, Gachibowli, Financial District
Nanakramguda, Serilingampally.
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/Designed and produced at AICL (hello@aicl.in)

Investor Relations
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MARUTI SUZUKI

MARUTI SUZUKI INDIA LIMITED

CIN: L34103DL1981PLC011375
Registered Office: 1, Nelson Mandela Road, Vasant Kunj
New Delhi -110 070, India
Tel: 011-46781000; Fax: 011-46150275
Web: www.marutisuzuki.com; Email Id: investor@maruti.co.in

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the members of Maruti Suzuki India Limited will be held on Tuesday, the 27th August, 2019 at 10:00 a.m. at Air Force Auditorium, Subroto Park, New Delhi – 110 010 to transact the following business:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

2. To declare dividend on equity shares and in this regard pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the recommendation of the board of directors of the Company, dividend at the rate of Rs. 80 per share be and is hereby declared to be paid to the members of the Company."

3. To appoint a director in place of Mr. Toshihiro Suzuki, who retires by rotation and being eligible, offers himself for re-appointment and in this regard pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Article 76(5) of the Articles of Association of the Company read with Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Toshihiro Suzuki (DIN: 06709846) who retires by rotation and being eligible, for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation."

4. To appoint a director in place of Mr. Kinji Saito who retires by rotation and being eligible, offers himself for re-appointment and in this regard pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Article 76(5) of the Articles of Association of the Company read with Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Kinji Saito (DIN:00049067) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation."

5. To re-appoint Mr. Kenichi Ayukawa as Managing Director and Chief Executive Officer and in this regard pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Article 76 of the Articles of Association of the Company and the provisions of Sections 196, 197, 198, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Kenichi Ayukawa (DIN:02262755) be and is hereby re-appointed as the Managing Director and Chief Executive Officer for a period of three years with effect from 1st April, 2019 on the following terms and conditions:

   a) **Basic Salary:** Rs. 213.24 Lac per annum in the scale of Rs. 200 Lacs to Rs. 350 Lacs per annum with authority to the board (which expression shall include a committee thereof) to revise his salary from time to time. The annual increments will be merit based and take into account the Company's performance.

   b) **Special Salary:** Rs. 13.20 Lac per annum with authority to the Board (which expression shall include a committee thereof) to increase it upto Rs. 50 Lacs.

c) **Performance Linked Bonus:** A performance linked bonus equivalent to a guaranteed minimum of four months' basic salary and a maximum of ten months' basic salary, to be paid annually, with authority to the Board (which expression shall include a committee thereof) to fix the same based on certain performance criteria to be laid down by the Board.

d) **Perquisites and Allowances:** In addition to the salary and performance linked bonus, he shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with the reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax etc.; medical reimbursement, medical / accident insurance, leave travel concession for himself and his family; club fees and such other perquisites and allowances in accordance with the rules of the Company provided that such perquisites and allowances will be Rs. 98.04 Lac per annum with authority to the Board (which expression shall include a committee thereof) to increase it from time to time upto Rs. 200 Lacs.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per income tax rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

In addition, he will be entitled for a contribution to the provident and pension fund as per applicable law in force from time to time.

Provision for the use of Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, in the event of loss or inadequacy of profits, the Company will subject to applicable laws, pay remuneration by way of basic and special salary, performance linked bonus not exceeding four months' basic salary, perquisites and allowances as specified above."

6. To appoint Mr. Takahiko Hashimoto as a Director and Whole-time Director designated as Director (Marketing & Sales) and in this regard pass the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Rules made thereunder, Mr. Takahiko Hashimoto (DIN: 08506746) be and is hereby appointed as a Director liable to retire by rotation."

"FURTHER RESOLVED THAT pursuant to Article 76 of the Articles of Association of the Company and Sections 196 and 197, Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. Takahiko Hashimoto be and is hereby appointed as a Whole-time Director designated as Director (Marketing & Sales) with effect from 27th July, 2019 for a period of three years at the following remuneration:

a) **Basic Salary:** Rs. 139.92 lac per annum in the scale of Rs. 125 lac to Rs. 200 lac per annum with authority to the Board (which expression shall include a committee thereof) to revise his salary from time to time. The annual increments will be merit based and take into account the Company's performance.

b) **Special Salary:** Rs. 12 lac per annum with authority to the Board (which expression shall include a committee thereof) to increase it upto Rs. 30 lac per annum.

c) **Performance Linked Bonus:** A performance linked bonus equivalent to a guaranteed minimum of four months' basic salary and a maximum of ten months' basic salary, to be paid annually, with authority to the Board (which expression shall include a committee thereof) to fix the same based on certain performance criteria to be laid down by the Board.

d) **Perquisites and Allowances:** In addition to the salary and performance linked bonus, he shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with the reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax etc.; medical reimbursement, medical /

accident insurance, leave travel concession for himself and his family; club fees and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board and him; provided that such perquisites and allowances will be Rs. 63.24 lac per annum with authority to the Board (which expression shall include a committee thereof) to increase it from time to time upto Rs. 120 lac per annum.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per income tax rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

In addition, he will be entitled for a contribution to the provident and pension fund as per applicable law in force from time to time.

Provision for the use of Company's car for official duties and telephone (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, in the event of loss or inadequacy of profits, the Company will subject to applicable laws, pay remuneration by way of basic and special salary, performance linked bonus not exceeding four months' basic salary, perquisites and allowances as specified above."

7. To re-appoint Mr. D.S. Brar as an Independent Director and in this regard pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013, Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, Mr. D.S. Brar (DIN: 00068502), be and is hereby re-appointed as an Independent Director, not to retire by rotation, for a period of five years with effect from 28th August, 2019 to 27th August, 2024."

8. To re-appoint Mr. R.P. Singh as an Independent Director and in this regard pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013, Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, Mr. R.P.Singh (DIN: 02943155), be and is hereby re-appointed as an Independent Director, not to retire by rotation, for a period of five years with effect from 28th August, 2019 to 27th August, 2024."

9. To appoint Ms. Lira Goswami as an Independent Director and in this regard pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013, Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, M. Lira Goswami (DIN: 00114636), be and is hereby appointed as an Independent Director, not to retire by rotation, for a period of five years with effect from 28th August, 2019 to 27th August, 2024."

10. To approve the appointment of Mr. Hiroshi Sakamoto as a Director and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 161 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of Mr. Hiroshi Sakamoto (DIN: 02209076) by the Board to fill the casual vacancy caused by the resignation of Mr. Toshiaki Hasuike, be and is hereby approved. "

11. To approve the appointment of Mr. Hisashi Takeuchi as a Director and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of Mr. Hisashi Takeuchi (DIN: 07806180) by the Board to fill the casual vacancy caused by the resignation of Mr. Kazuhiko Ayabe, be and is hereby approved."

12. Enhancement of ceiling of payment of commission to Non-executive directors and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to Section 197 of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the Company, approval be and is hereby accorded for the payment of commission to the non-executive directors of the Company (other than the Managing / Whole-time Directors) in addition to the sitting fee for attending the meetings of the board and committees thereof, not exceeding in aggregate one percent of the net profits of the Company as calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 or Rs. 500 Lac, whichever is less in any one financial year."

13. To ratify the remuneration of the Cost Auditor, M/s R.J.Goel & Co., cost accountants and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration of M/s R.J.Goel & Co., Cost Accountants (Firm Registration No. 000026) appointed by the Board of Directors as Cost Auditor to conduct the audit of the applicable cost records of the Company for the financial year 2019-20 amounting to Rs. 2.40 Lac plus applicable taxes thereon besides reimbursement of out of pocket expenses on actuals incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

By order of the board
for MARUTI SUZUKI INDIA LIMITED

Sanjeev Grover
Vice President
& Company Secretary
FCS No. 3788

New Delhi
26th July, 2019

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Every member entitled to vote at the meeting or on any resolution to be moved thereat shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three days' notice in writing of the intention so to inspect is given to the Company.

4. The explanatory statement pursuant to Section 102 of Companies Act, 2013 ('Act'), in regard to the business as set out from item nos. 5 to 13 and the relevant details pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are annexed hereto.

5. A member or his/her proxy is requested to bring the annual report to the AGM as extra copies will not be distributed.

6. Members / Proxies should fill the attendance slip for attending the AGM. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. All documents referred to in the notice and explanatory statement are open for inspection at the registered office of the Company on all working days between 9:30 a.m. to 11:30 a.m. upto the date of the AGM.

9. (a) The register of members will remain closed from Saturday, the 17th August, 2019 to Tuesday, the 27th August, 2019 (both days inclusive).

   (b) Subject to the provisions of Section 126 of the Act, dividend as recommended by the board of directors, if declared at the meeting will be paid on or after 30th August 2019 to those whose names appear in the register of members / beneficial owners at the close of business hours on 16th August, 2019.

   (c) All dividend remaining unclaimed/unpaid for a period of seven years from the date it became due for payment, will be transferred to the Investor Education and Protection Fund established by the Central Government. Members who have not yet encashed their dividend warrant(s) are requested to make their claims without any delay.

   (d) The register of contracts or arrangements in which directors are interested shall be produced at the commencement of the AGM and remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

   (e) Register of Directors and Key Managerial Personnel shall also be kept open for inspection at the AGM and be accessible to the persons attending the meeting.

10. Shareholders holding shares in electronic form may kindly note that their bank account details as furnished by their depositories to the Registrar & Transfer Agent (RTA) will be printed on their dividend warrants as per the applicable regulations of the depositories and the Company will not entertain any direct request from such shareholders for deletion of / change in such bank details. Shareholders who wish to change such bank account details are, therefore, requested to advise their depository participants about such change, with complete details of bank account.

11. Corporate members intending to send their authorised representatives are requested to send a duly certified copy of the board resolution authorising their representatives to attend and vote at the AGM.

12. As per Section 72 of the Act, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their request in Form SH-13 for nomination and Form SH-14 for cancellation/ variation as the case may be to the RTA. The said forms can also be down-loaded from the Company's website www.marutisuzuki.com.

13. Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has intimated the shareholders whose shares are liable to be transferred in the name of IEPF Authority. Members are advised to visit the website of the Company www.marutisuzuki.com to ascertain such details.

14. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary (investor@maruti.co.in) at least 7 days before the AGM.

15. Entry into the auditorium will be strictly against entry slips available at the counters at the venue and against exchange of valid attendance slip. The route map of the venue is attached.

16. No gifts will be distributed at the AGM.

17. **Owing to security concerns, the auditorium authorities do not allow carrying inside brief cases, bags, eatables and the like. Members attending the meeting are requested to make their own arrangements for the safe keeping of their belongings.**

18. **Notice and the Annual Report have been sent through e-mail to the members whose email ids are registered with their Depository Participants or with the Company or its RTA.**

19. **Notice, Audited Financial Statements for 2018-19 together with Board's Report and Auditors' Report are available on the website of the Company www.marutisuzuki.com.**

20. **Voting through electronic means:**

i. Pursuant to the provisions of Section 108 of the Act read with The Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.

ii. The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Karvy Fintech Private Limited ("Karvy") as the Authorised Agency to provide e-voting facilities.

iii. The Board of Directors has appointed Mr. Manish Gupta, Partner of RMG & Associates, Company Secretaries in whole-time practice, New Delhi with Membership No. FCS 5123 and Certificate of Practice No. 4095 as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.

iv. Members are requested to carefully read the instructions for e-voting before casting their vote.

v. The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting:

Commencement of e-voting	From 9:00 a.m. (IST) on 24th August, 2019
End of e-voting	Up to 05:00 p.m. (IST) on 26th August, 2019

At the end of the e-voting period, the facility shall forthwith be blocked. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

vi. The cut-off date for the purpose of e-voting is 20th August, 2019.

vii. The Company will make necessary arrangements to provide the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM by logging on the e-voting website of Karvy at https://evoting.karvy.com using their secure login credentials as mentioned on the e-voting form.

The procedure and instructions for e-voting are as under:

a) Open your web browser during the voting period by typing the URL:https://evoting.karvy.com

b) Enter the login credentials (i.e. User ID and password mentioned in the email forwarding the Notice of AGM, or mentioned on the Notice of AGM, in case email id is not registered and physical copy of the Annual Report is being received by you). Your Folio No./DP ID Client ID will be your user ID. However, if you hold shares in demat form and you are already registered with Karvy for e-voting, you shall use your existing User ID and password for casting your vote.

c) After entering these details appropriately, click on "LOGIN".

d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You will also be required to enter a secret question and answer of your choice to enable you to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential**.

e) You need to login again with the new credentials.

f) On successful login, the system will prompt you to select the EVEN Number for Maruti Suzuki India Limited.

g) On the voting page, you will see the Resolution Description and the options "FOR/AGAINST/ABSTAIN" for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/

AGAINST” taken together should not exceed your total shareholding as on the cut-off date as mentioned above. You may also choose the option “ABSTAIN” in case you do not want to cast vote.

h) You may then cast your vote by selecting an appropriate option and click on “Submit”.

i) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

j) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

k) Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date may obtain the User ID and password in the manner as mentioned below:

   i) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : **MYEPWD**<space> E-Voting EVEN Number+Folio No. or DP ID Client ID to **9212993399**
   Example for NSDL:
   MYEPWD <SPACE> IN12345612345678

   Example for CDSL :
   MYEPWD <SPACE> 1402345612345678

   Example for Physical :
   MYEPWD <SPACE> XXXX1234567890

   ii) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

l) Corporate / Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board resolution / Authority letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: e-voting@rmgcs.com with a copy to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_EVEN.”

m) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. **Further, the Members who have cast their vote electronically shall not be allowed to vote again at the meeting**.

n) In case of any query pertaining to e-voting, please contact Karvy’s toll free no. 1-800-34-54-001 or visit the FAQ’s section available at Karvy’s website http://evoting.karvy.com

o) The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date.

p) A facility of voting through ballot/polling paper shall also be made available at the AGM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

q) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

r) The Scrutinizer shall make, not later than three days of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him. The results declared along with the consolidated Scrutinizer’s Report shall be placed on the website of the Company and on the website of Karvy. The results shall simultaneously be communicated to the Stock Exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

The Board, on the recommendation of the Nomination & Remuneration Committee re-appointed Mr. Kenichi Ayukawa as Managing Director & CEO with effect from 1st April, 2019 for a period of three years. Section 196 of the Companies Act, 2013 (Act) provides, *inter-alia*, that a Managing Director shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the Company. The approval of the members is sought for his appointment and payment of remuneration.

None of the Directors/Key Managerial Personnel (KMP) of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution except Mr. Kenichi Ayukawa and his relatives. He attended all the board meetings held during 2018-19. The Board recommends his appointment and payment of remuneration for approval of the shareholders.

ITEM NO. 6

The Board, on the recommendation of the Nomination & Remuneration Committee, appointed Mr. Takahiko Hashimoto as an Additional Director. Pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company, Mr. Takahiko Hashimoto holds office as an Additional Director up to the date of this Annual General Meeting. Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Takahiko Hashimoto has been received by the Company. He was also appointed as a Whole-time Director designated as Director (Marketing & Sales) with effect from 27th July, 2019 for a period of three years. Section 196 of the Act provides, *inter-alia*, that a Whole-time Director shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the Company. The approval of the members is sought for his appointment as a Director and Whole-time Director and payment of remuneration.

None of the Directors/Key Managerial Personnel (KMP) of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution except Mr. Takahiko Hashimoto and his relatives. The Board recommends his appointment and payment of remuneration for approval of the shareholders.

ITEM NO. 7, 8 and 9

Section 149 of the Act, *inter-alia*, provides that every listed company shall have atleast one third of the total number of directors as Independent Directors (IDs). Any fraction contained in such one third shall be rounded off as one. An ID shall hold office for a term upto 5 consecutive years on the Board of a Company but shall be eligible for re-appointment for a further term of upto 5 years on passing of a special resolution by the Company. Explanation to Section 152(6) signifies that IDs are not liable to retire by rotation and can be appointed only for a fixed term upto five consecutive years.

Based on the recommendation of the Nomination & Remuneration Committee, the Board recommends the re-appointment of Mr. D.S. Brar and Mr. R.P. Singh and appointment of Ms. Lira Goswami as IDs not liable to retire by rotation for a term of five years from 28th August, 2019 till 27th August, 2024. The Company has received the requisite declarations from the IDs that they meet the criteria of independence. In the opinion of the Board, they fulfill the conditions as specified in the Act and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for their appointments and are independent of the management. They are persons of integrity and possess appropriate skills, experience, knowledge and qualification in their respective fields which would be beneficial to the interest of the Company. Keeping in view the vast experience and knowledge which these Directors possess, the board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as IDs. Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of the directors individually. The performance of individual directors including the independent directors was evaluated on parameters such as level of engagement and contribution to the affairs of the Company including by way of attendance in Board and committee meetings, ability to discharge their duties and obligations diligently in the best interest of the Company, ability to provide effective leadership and checks and balances towards sustaining the highest levels of corporate governance in particular towards risk assessment and management, exercising duty of care and skill in the discharge of their functions, level of independence of judgment and safeguarding the interest of the Company and its minority shareholders. Considering the good performance of the Company in most spheres and the value delivered to all stakeholders, including customers, shareholders, the community and others, it was apparent that directors had been diligent, meticulous and faithful in the performance of their duties.

None of the Directors/KMPs of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the respective resolutions except Mr. D.S. Brar, Mr. R.P. Singh and Ms. Lira Goswami and their relatives. The Board recommends their appointment/re-appointment for approval of the shareholders.

ITEM NO. 10 & 11

Pursuant to the provisions of Section 161 of the Act and the Rules made thereunder and the Articles of Association of the Company, Mr. Hiroshi Sakamoto and Mr. Hisashi Takeuchi were appointed by the Board as Directors in casual vacancy caused by the resignation of Mr. Toshiaki Hasuike and Mr. Kazuhiko Ayabe respectively and their appointment is required to be approved by the members in this meeting.

None of the Directors/KMPs of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in resolution no. 10 & 11 except the directors themselves and their relatives. The Board recommends their appointment for approval of the members.

ITEM NO. 12

The Non-executive/Independent Directors are persons of eminence and bring a wide range of expertise and rich experience to the Board. Besides participation in the Board Meetings and other committee meetings where they are members, some of these non-executive directors are also devoting considerable time to the business of the Company and the Company is substantially benefiting by their valuable advice. The role, responsibilities and legal liabilities of the members of the Board have substantially increased requiring them not only exercise intensive skills but also devote considerable time in the process of orderly conduct of various affairs of the Company. In view of the above, it may be considered fair and justifiable that they are suitably remunerated by way of payment of commission. The quantum of commission payable per annum as a whole to the non-executive directors and individually to each director would be determined and recommended by the Nomination and Remuneration Committee and approved by the Board from time to time. The quantum of commission payable, if any, to an individual non-executive director would, *inter-alia*, depend upon the attendance at board / committee meetings, the time devoted to Company work, etc.

Section 197 of the Companies Act, 2013 lays down, *inter-alia*, that the remuneration payable to directors who are neither managing directors nor whole-time directors shall not exceed one per cent of the net profits of the company, if there is a managing or whole-time director or manager.

The Company had, in the Annual General Meeting held on 4th September, 2014, obtained approval of the shareholders for the payment of commission to the non-executive / independent directors not exceeding 1% per annum of the net profits of the company subject to a ceiling of Rs. 300 lacs per annum. With a view to fairly compensate these non-executive/independent directors, it is proposed to enhance the said limit to Rs. 500 Lacs per annum.

Only the non-executive/independent directors and their relatives are interested in the proposed resolution. The board recommends the enhancement of ceiling of payment of commission to non-executive directors for approval of the shareholders.

ITEM NO. 13

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of applicable cost records of the Company for the financial year ending 31st March, 2020. In accordance with the provisions of Section 148 of the Act read with the Rules made thereunder, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2020.

None of the Directors/KMPs of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution. The Board recommends ratification of payment of remuneration to the Cost Auditor for approval of the shareholders.

By order of the board
for MARUTI SUZUKI INDIA LIMITED

Sanjeev Grover
Vice President
& Company Secretary
FCS No. 3788

New Delhi
26th July, 2019

Additional information:

Details of directors retiring by rotation/recommended for appointment/re-appointment:

Particulars	Mr. Kenichi Ayukawa	Mr. T. Suzuki	Mr. T. Hashimoto	Mr. Hiroshi Sakamoto	Mr. Hisashi Takeuchi
Age	63	60	53	59	55
Qualification	Law graduate from Osaka University, Japan	Graduate from Tokyo University of Science, Japan	Graduated from Business Administration of Suffolk University	Graduated from The Faculty of Law of Tohoku University	Graduated from the Faculty of Economics, Yokohama National University
Experience	He joined Suzuki Motor Corporation (SMC) in 1980 and worked at various levels there including General Manager, Overseas Marketing, Administration Department and Managing Director of Pak Suzuki Motor Company Limited. He joined the board of Maruti Suzuki India Limited in 2008 as a non-executive director and was appointed as Managing Director with effect from 1st April, 2013.	He joined SMC in 1994 and worked at various levels like Plant Manager, Councilor, Senior General Manager (Product Planning Division), Director & Senior Managing Officer. In 2011, he was appointed as a Representative Director and Executive Vice President. Currently, he is Representative Director and President.	He joined SMC in April, 1992 and worked at Spare Parts & Accessories Department before joining Suzuki Canada Ltd. in 1997. Thereafter, he worked at various levels like Group Manager and General Manager. He joined Maruti Suzuki India Limited (MSIL) in 2012 and appointed as Director (Marketing & Sales) with effect from 27th July, 2019.	He joined SMC in April, 1983 and worked at various levels at many locations i.e. North America, Canada, and India. He also worked in MSIL from 2008 to 2013 at a level of Executive Officer (Finance). Currently, he is Executive General Manager, Finance at SMC.	He joined SMC in April 1986 and worked at various levels like Director (Marketing & Sales), Suzuki Australia PTY Ltd., Deputy Managing Director/ Managing Director, Magyar Suzuki Corporation before being promoted to Managing Officer, Deputy Executive General Manager, Global Automobile Marketing in June, 2019 in SMC.
Terms & conditions of appointment/ re-appointment	As per resolution at item number 5.	As per resolution at item 3.	As per resolution at item no.6.	As per resolution at item 10.	As per resolution at item 11.
Remuneration proposed to be paid	As per resolution at item number 5.	N.A.	As per resolution at item no.6.	N.A.	N.A.
Remuneration last drawn	Please refer Corporate Governance Report forming part of the Annual Report 2018-19.	N.A.	N.A.	N.A.	N.A.
Date of first appointment on the board	21st July, 2008	28th October, 2013	27th July, 2019	27th July, 2019	27th July, 2019
Shareholding in the Company	Nil	Nil	Nil	Nil	Nil

Relationship with other directors, manager and key managerial personnel	N.A.	Son of Mr. O. Suzuki.	N.A.	N.A.	N.A.
Number of board meetings attended during the year	Five (2018-19)	Four (2018-19)	N.A.	N.A.	N.A.
Other directorships	1. Subros Limited 2. SKH Metals Limited 3. Krishna Maruti Limited 4. Denso India Private Limited	Nil	Nil	Nil	Nil
Memberships/ chairpersonship of committees	Maruti Suzuki India Limited **Member:** 1. Audit Committee 2. Stakeholders' Relationship Committee 3. CSR Committee 4. Risk Management Committee	Maruti Suzuki India Limited **Member:** Nomination and Remuneration Committee	Nil	Nil	Nil

Particulars	Mr. D.S. Brar	Mr. R.P. Singh	Ms. Lira Goswami	Mr. Kinji Saito
Age	66	67	60	61
Qualification	Graduated with Bachelor of Engineering (Electrical) degree from Thapar Institute of Engineering & Technology, Patiala. Completed his Masters Degree in Business Administration with top rank (Gold Medal) from the Faculty of Management Studies, University of Delhi.	Post-graduation in Mathematics from Advanced Centre for Pure Mathematics, Punjab University, Chandigarh	Law from Delhi University, a Masters degree in law from Columbia University, New York	Graduate from Faculty of Economics, Hiroshima University, Japan.

Experience	He started his career in 1974 with the Associated Cement Companies Limited (ACC). Thereafter, Mr. Brar had been associated with the Pharmaceutical Industry for more than three decades. Mr. Brar spent major part of this period (1977 – 2004) with Ranbaxy Laboratories Limited – India's largest pharmaceutical company at various positions and rose to the level of President in 1993. He became the CEO & Managing Director of Ranbaxy in 1999. Mr. Brar stepped down from this position in 2004 to start his entrepreneurial journey and ventured into GVK Biosciences - a leading contract research organization providing Discovery & Development services to Global Life Sciences companies. He is a promoter of GVK Biosciences Private Limited and Excelra Knowledge Solutions Pvt. Ltd. He is also a member of the Advisory Board of the USA-India Chamber of Commerce (USAIC). From 2000–2007, Mr. Brar served as a Director of the Reserve Bank of India (RBI) and was also a member of the Inspection and Audit Sub-Committee of the Central Board of Directors of the RBI. Mr. Brar also served as a Senior Advisor to Private Equity firms such as Temasek Capital (Private) Limited and Kohlberg Kravis Roberts (KKR) from 2011-2015 and was a Special Advisor to the Board of Directors of Adamas Pharmaceuticals Inc.	After a brief stint of teaching Pure Mathematics & Statistics to graduate classes, he joined the Administrative Service. Apart from the regular field assignments for the I.A.S. Officers, he has wide experience in regulatory areas of Finance, Industry, Urban Development and Infrastructure. He worked both as Commissioner of Hyderabad Municipal Corporation & Vice Chairman of Hyderabad Urban Development Authority. He had long stints as Managing Director of Andhra Pradesh Industrial Development Corporation & Commissioner of Taxation in Andhra Pradesh. He was posted to Punjab & Sind Bank as Chairman in March 2005 when the Bank was in continuous losses and had accumulated the highest NPAs in industry. He spent four and a half years in the Bank during which the Bank recorded highest growth in the Industry and registered lowest NPA level in the whole industry. As Secretary in the Department of Industrial Policy & Promotion, his major initiatives were: 3. Putting together the manufacturing policy for the country. 1. Rationalization and consolidation of FDI policy; 2. Re-inventing and establishing the Delhi Mumbai Industrial Corridor Project (DMIDC); and	She is one of the founding partners of Associated Law Advisers (ALA), having over 35 years of experience in corporate and regulatory work including international business transactions, strategic advisory work, mergers and acquisitions, regulatory compliance, anti-corruption, fraud and related investigations. She heads the corporate and regulatory team at ALA and has substantial expertise in corporate and regulatory work (including in the defence, civil aviation, medical and insurance sectors) having advised several multinational clients. She was the chairperson of the board of directors of Kellogg India for over a decade. In addition to corporate and regulatory work, she has advised a number of clients in internal investigations including those under the US Foreign Corrupt Practices Act (FCPA), working directly with clients or collaboratively with international law and accounting firms. She has also advised entities controlled by the Government of Ras-Al-Khaimah on various corporate, commercial and other matters including economic offences. She is a regular speaker on foreign investment, defense procurement, trade, regulatory and compliance issues and has spoken in several anti-corruption seminars including ACI's anti-	He joined SMC in 1981 and was assigned Domestic Sales Planning. During his tenure with SMC, he has been to many assignments including import car sales, domestic planning & marketing, administration of overseas planning, etc. before joining the then Maruti Udyog Limited (now Maruti Suzuki India Limited) as Director (Marketing & Sales) in 2002. He served as Director of the Company till 2006. Thereafter he worked at various positions at SMC like General Manager (Asia/Middle East/ Africa Automobile Marketing), Deputy Executive General Manager (Overseas Automobile Marketing Department), Managing Director (American Suzuki Motor), General Manager (Asia Automobile Marketing Department), Deputy Executive General Manager (Overseas Automobile Marketing Department), Executive General Manager (Asia/ Africa/ Latin America Automobile Marketing and Managing Officer, Executive General Manager, Global Automobile Operations. Currently, he is Managing Officer, Executive General Manager, Global Automobile Marketing.

	Mr. Brar has been involved with some of the premier Research and Educational Institutions in India. He has served as a member on the Board of National Institute of Pharmaceutical Education and Research (NIPER), SAS Nagar, Punjab and as a member of the Board of Governors of the Indian Institute of Management, Lucknow (IIML). Mr. Brar has been involved with several leading industry associations in India. He was associated with Confederation of Indian Industry (CII) where he Chaired CII's Indian MNC Council and with Federation of Indian Chambers of Commerce and Industry (FICCI) in the past. Mr. Brar was a Member of Prime Minister's Task Force on Pharmaceuticals and Knowledge-based industries which drafted the blue print for the growth and global expansion of Indian Pharmaceutical Industry including R&D and Pricing policies. He served as a member of Consultative Group on Exports of Pharmaceutical Products, under the Chairmanship of Hon'ble Minister of Commerce, Industry and Textiles, Government of India. For his service and contribution to the pharmaceutical industry, Mr. Brar was honoured with the Dean's Medal from the Tufts University School of Medicine, U.S.A. in 2004. The Federation of Asian Biotech Associations (FABA) conferred on Mr. Brar the "FABA Special Award 2011" for his contribution to the BioPharma sector.	After retirement from the Indian Administrative Service, he was selected by the Government of India for appointment as Chairman, National Highways Authority of India (NHAI). Major policy initiatives like rescheduling of premium payable to Government, exit policy etc. during his tenure retrieved the sector from a slump. An innovative dispute resolution mechanism saw amicable settlements of disputes amounting to more than Rs. 17000 crores.	corruption conferences in India and the US and C5's Defence Procurement seminars in Washington and Paris. She has authored articles on diverse subjects including Disinvestment; Related party Transactions; Foreign Exchange Regulations; Insurance as a tool of Wealth Management; Law and Morality; Legal Obligation and Civil Disobedience etc. She has co-authored the Indian chapter on Private Banking for Baker & McKenzie's Law-in-Context, an on line private banking resource for international banks and wealth managers and the Global Legal Group's International Comparative Legal Guide to Environment Law. She was on the India advisory board of Stonebridge International (now Stonebridge Albright), a global consulting company on regulatory and strategic advisory work. She has also conducted training for employees of multinational corporations including for purposes of compliance with competition law, FCPA and UK Bribery Act, advised on Integrity Manuals, Gifting and Business Courtesy Policies for various clients. Her pro bono activities include legal assistance for charitable organizations including Save the Children and Youth Making a Difference. She was also nominated as a member of the Governing Body of Kamla Nehru College, University of Delhi.	

Terms & conditions of appointment/ re-appointment	He is proposed to be re-appointed as an Independent Director.	He is proposed to be re-appointed as an Independent Director.	She is proposed to be appointed as an Independent Director.	He is proposed to be appointed as non-executive director liable to retire by rotation.
Remuneration proposed to be paid	He will be entitled to receive sitting fee and commission as may be determined by the board on the recommendation of the Nomination & Remuneration Committee.	He will be entitled to receive sitting fee and commission as may be determined by the board on the recommendation of the Nomination & Remuneration Committee.	She will be entitled to receive sitting fee and commission as may be determined by the board on the recommendation of the Nomination & Remuneration Committee.	Nil
Remuneration last drawn	Please refer Corporate Governance Report forming part of the Annual Report 2018-19.	Please refer Corporate Governance Report forming part of the Annual Report 2018-19.	N.A.	Nil
Date of first appointment on the board	27th July, 2006 under the Companies Act, 1956 and 4th September, 2014 under the Companies Act, 2013.	25th January, 2013 under the Companies Act, 1956 and 4th September, 2014 under the Companies Act, 2013.	N.A.	28th April, 2012.
Shareholding in the Company	Nil	Nil	Nil	Nil
Relationship with other directors, manager and key managerial personnel	N.A.	N.A.	N.A.	Not applicable
Number of board meetings attended during the year	Five (2018-19)	Five (2018-19)	N.A.	Five (2018-19)
Other directorships	Mphasis Limited, GVK Biosciences Private Limited, Suraj Hotels Private Limited, Madhubani Investments Private Limited, Davix Management Services Private Limited, Green Vally Land & Development Private Limited, GVK Davix Technologies Private Limited, GVK Davix Research Private Limited, Suraj Overseas Private Limited, Wockhardt Limited, Mountain Trail Foods Pvt. Ltd., Excelra Knowledge Solutions Pvt. Ltd., Ktwo Technology Solutions (P) Ltd. and Docplexus Online Services Pvt. Ltd.	Bharti Infratel Limited, Macrotech Developers Limited, IRB Infrastructure Pvt. Limited and Nirlon Limited	Blackberry India Pvt. Limited.	Nil

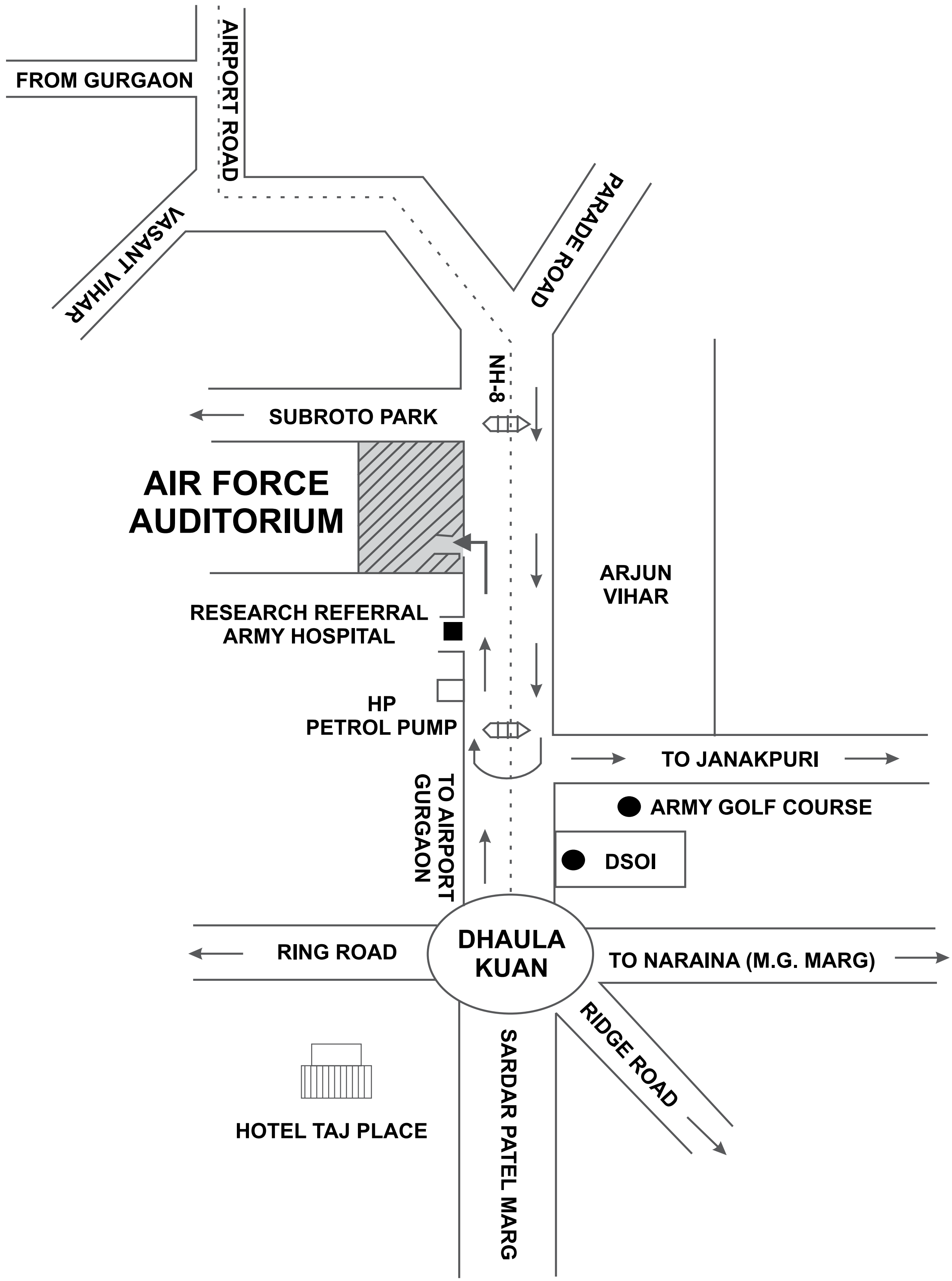
Memberships/ chairpersonship of committees	**Maruti Suzuki India Limited** **Chairman:** Audit Committee and Nomination and Remuneration Committee **Member:** Stakeholders' Relationship Committee **Mphasis Limited:** **Chairman:** Stakeholders' Relationship Committee and Treasury and Operations Committee **Member:** Audit Committee, Nomination and Remuneration Committee, ESOP's Compensation Committee, Share Transfer Committee, CSR Committee and Strategy Committee **Wockhardt Limited** **Chairman:** Nomination and Remuneration Committee **Member:** Audit Committee, Stakeholders' Committee and CSR & Risk Management Committee **GVK Biosciences Private Limited** **Chairman:** Compensation Committee **Member:** Audit Committee **Excelra Knowledge Solutions Pvt. Ltd.** **Member:** CSR Committee	**Maruti Suzuki India Limited:** **Member:** Audit Committee and CSR Committee **Bharti Infratel Limited:** **Member:** Audit Committee and Risk Management Committee **IRB Infrastructure Private Limited:** **Member:** Audit Committee and Nomination & Remuneration Committee **Macrotech Developers Limited:** **Chairman:** Risk Management Committee **Member:** CSR Committee, Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee **Nirlon Limited:** **Member:** Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee	Nil	Nil

By order of the board
for MARUTI SUZUKI INDIA LIMITED

Sanjeev Grover
Vice President
& Company Secretary
FCS No. 3788

New Delhi
26th July, 2019

ROUTE MAP


FROM GURGAON
AIRPORT ROAD
VASANT VIHAR
PARADE ROAD
NH-8
SUBROTO PARK
AIR FORCE AUDITORIUM
RESEARCH REFERRAL ARMY HOSPITAL
ARJUN VIHAR
HP PETROL PUMP
TO JANAKPURI
TO AIRPORT GURGAON
ARMY GOLF COURSE
DSOI
DHAULA KUAN
RING ROAD
TO NARAINA (M.G. MARG)
RIDGE ROAD
SARDAR PATEL MARG
HOTEL TAJ PLACE

MARUTI SUZUKI

MARUTI SUZUKI INDIA LIMITED

CIN: L34103DL1981PLC011375
Registered Office: 1, Nelson Mandela Road, Vasant Kunj, New Delhi -110 070, India
Tel: 011-46781000; **Fax:** 011-46150275
Web: www.marutisuzuki.com **Email Id:** investor@maruti.co.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

38th Annual General Meeting – 27th August, 2019

Name of the member(s)

Registered Address

Email Id

Folio no. / Client ID

DP ID

I/We, being the member(s) of ……………………………………holding......………… shares of the above named Company, hereby appoint

Name : …………………………………………………………………… Email Id: ……………………………………………………………

Address : ……

…………………………………………………………………………… Signature: ……………………………………………………

or failing him/her

Name : …………………………………………………………………… Email Id: ……………………………………………………………

Address : ……

…………………………………………………………………………… Signature: ……………………………………………………

or failing him/her

Name : …………………………………………………………………… Email Id: ……………………………………………………………

Address : ……

…………………………………………………………………………… Signature: ……………………………………………………

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Tuesday, the 27th August, 2019 at 10:00 a.m. at Air Force Auditorium, Subroto Park, New Delhi-110 010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	Special Business
1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon. 2. To declare dividend on equity shares. 3. To appoint a director in place of Mr. Toshihiro Suzuki, who retires by rotation and being eligible, offers himself for re-appointment. 4. To appoint a director in place of Mr. Kinji Saito who retires by rotation and being eligible, offers himself for re-appointment.	5. Reappointment of Mr. Kenichi Ayukawa as Managing Director and Chief Executive Officer. 6. Appointment of Mr. Takahiko Hashimoto as a Director and Whole-time Director designated as Director (Marketing & Sales). 7. Reappointment of Mr. D.S. Brar as an Independent Director. 8. Reappointment of Mr. R.P. Singh as an Independent Director. 9. Appointment of Ms. Lira Goswami as an Independent Director. 10. Approval of the appointment of Mr. Hiroshi Sakamoto as a Director. 11. Approval of the appointment of Mr. Hisashi Takeuchi as a Director. 12. Enhancement of ceiling of payment of commission to Non-executive directors. 13. Ratification of the remuneration of the Cost Auditor, M/s R.J.Goel & Co., cost accountants.

Signed this…………………......……day of……......……………2019.

Affix revenue stamp

....
Signature of the shareholder

....
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

MARUTI SUZUKI INDIA LIMITED

CIN: L34103DL1981PLC011375
Registered Office: 1, Nelson Mandela Road, Vasant Kunj, New Delhi -110 070, India
Tel: 011-46781000; **Fax:** 011-46150275
Web: www.marutisuzuki.com **Email Id:** investor@maruti.co.in

Attendance Slip

Registered Folio/ DP ID & Client ID	
Name	
Address of Shareholder	

I/We hereby record my/our presence at the 38th Annual General Meeting of the Company on 27th August, 2019 at 10:00 a.m. at Air Force Auditorium, Subroto Park, New Delhi-110 010.

Signature of Shareholder/Proxy

MARUTI SUZUKI INDIA LIMITED

CIN: L34103DL1981PLC011375
Regd. Office : 1, Nelson Mandela Road, Vasant Kunj
New Delhi - 110 070, India
Tel: 011-46781000; Fax: 011-46150275
Web: www.marutisuzuki.com; Email Id: investor@maruti.co.in

E-VOTING PARTICULARS

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

Note: Please read instructions given in Notice of the 38th Annual General Meeting carefully before voting electronically.