

# Board's Report

Your Directors have pleasure in presenting the 35th annual report together with the audited financial statements for the year ended 31st March 2016.

## Financial Results

The Company's financial performance during the year 2015-16 as compared to the previous year 2014-15 is summarised below:

	(₹ in million)	
	2015-16	2014-15
Total revenue	582,082	508,022
Profit before tax	65,350	48,682
Tax expense	19,636	11,570
Profit after tax	45,714	37,112
Balance brought forward	197,368	173,849
Impact of revision of useful lives of certain fixed assets	0	(792)
Profit available for appropriation	243,082	210,169
<b>Appropriations:</b>		
General reserve	4,571	3,711
Proposed dividend	10,573	7,552
Corporate dividend tax	2,152	1,538
Balance carried forward to balance sheet	225,786	197,368

## Financial Highlights

The total revenue (net of excise) was ₹ 582,082 million as against ₹ 508,022 million in the previous year showing an increase of 15 per cent. Sale of vehicles in the domestic market was 1,305,351 units as compared to 1,170,702 units in the previous year showing an increase of 12 per cent. Total number of vehicles exported was 123,897 units as compared to 121,713 units in the previous year showing an increase of 2 per cent.

Profit before tax (PBT) was ₹ 65,350 million against ₹ 48,682 million showing an increase of 34 per cent and profit after tax (PAT) stood at ₹ 45,714 million against ₹ 37,112 million in the previous year showing an increase of 23 per cent. Price earning ratio (based on last quoted price on NSE) as on 31st March 2016 and 31st March 2015 was 24.56 and 30.10 respectively.

The 'Offer for Sale' by the Government of India in 2003 was at a price of ₹ 125/- per share. The market capitalisation was ₹ 1,116,790 million and ₹ 1,122,530 million based on the market price of the Company's shares (NSE closing) of ₹ 3,697 and ₹ 3,716 as at 31st March 2015 and 31st March 2016 respectively, with an increase of 2873 per cent as on 31st March 2016 compared to the offer price.

## Dividend

The board recommends a dividend of ₹ 35 per equity share of ₹ 5 each for the year ended 31st March 2016 amounting to ₹ 10,573 million.

## 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 Accounting Standard - 21 on Consolidated Financial Statements read with Accounting Standard - 23 on Accounting for Investments in Associates and Accounting Standard - 27 on Financial Reporting of Interest in Joint Ventures, the audited consolidated financial statements are provided in the annual report.

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as required by the Companies Act, 2013 is provided as an annexure to the consolidated financial statements and hence are not repeated here for the purpose of brevity. No company has become or ceased to become a subsidiary, joint venture or associate company during 2015-16.

## Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 is attached as **Annexure A**.

## 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 the website of the Company at <http://www.marutisuzuki.com/policy-on-subsidiary-companies.aspx>.

## Particulars of Loans, Guarantees and Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 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, seven 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 Companies Act, 2013 from all the Independent Directors.

The details of the familiarization programmes for the Independent Directors are available on the website of the Company at <http://www.marutisuzuki.com/familiarization-programmes.aspx>.

## 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 Companies Act, 2013, 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 Companies Act, 2013 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. Kazuhiko Ayabe ceased to be a Whole-time Director with effect from close of business hours of 28th January 2016. He continues as a Non-Executive Director. Mr. Kenichi Ayukawa was re-appointed as Managing Director & CEO for a period of three

years with effect from 1st April 2016 and Mr. Toshiaki Hasuike as Joint Managing Director for a period of three years with effect from 27th April 2016.

## 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 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.

## Related Party Transactions

The Company has a policy on related party transactions which is available on the Company's website at <http://www.marutisuzuki.com/policy-on-related-party-transactions.aspx>. In terms of Section 134(3) (h) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of board and its powers) Rules, 2014, the related party transactions for 2015-16 are given in Form AOC 2 as **Annexure B**.

## 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 board's functioning including its composition, attendance of Directors, participation levels, bringing specialised knowledge for decision making, smooth functioning of the board and effective decision making. The board and its committees had been highly effective in achieving their respective charters and their meetings were well run and the members acted with sufficient diligence and care.

The performance of individual 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/committee meetings, level of independence of judgement, care undertaken in safeguarding the interest of the Company and its minority shareholders. All the Directors were diligent, meticulous and faithful in the performance of their duties and the Directors

expressed their satisfaction with the evaluation process. The criteria laid down by the Nomination and Remuneration Committee for evaluation of performance of Independent Directors included, inter-alia, the extent of engagement including attendance at the board/ committee meetings, ability to discharge their duties and provide effective leadership, exercise independence of judgement and safeguarding the interest of all the stakeholders including the minority shareholders.

### Nomination and Remuneration Policy

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

### 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 D**.

### 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. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the period under review, one complaint was received by the ICC and the same was suitably closed after following the due process.

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

Information in accordance with Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached as **Annexure E**.

### Corporate Governance

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

### Secretarial Audit Report

In accordance with the provisions of Section 204 of the Companies Act, 2013 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 2015-16. The report on secretarial audit is attached as **Annexure F**. The report does not contain any qualification.

### Personnel

As required by the provisions of Section 197 of the Companies Act, 2013 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 G**. However, as per the provisions of Section 136 of the Companies Act, 2013, 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

In accordance with the provision of Section 148 of the Companies Act, 2013 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 2016-17.

### Auditors

The auditors, M/s Price Waterhouse, Chartered Accountants, hold office until the conclusion of the ensuing annual general meeting. A certificate has been obtained from M/s Price Waterhouse to the effect that the Company is in compliance with the conditions of Foreign Direct Investment for the downstream investment made by the Company in subsidiary companies. The auditors' report to the members for the year under review does not contain any qualification. As per the provisions of Section 139 of the Companies Act, 2013, the board has recommended the appointment of M/s Deloitte Haskins & Sells LLP as auditors of the Company from the conclusion of the 35th Annual General Meeting (AGM) till the conclusion of 40th AGM for approval of the members.

### 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 was awarded ISO/IEC 27001:2005 certification by STQC Directorate (Standardization, Testing and Quality Certificate), Ministry of Communications and Information Technology, Government of India after re-assessment. In 2015 the certification has been upgraded to 27001:2013.

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

The quality management system of the Company is certified against ISO 9001:2008 standard. Re-assessment of the quality systems is done at regular intervals and re-certification assessments are done at 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. R.C. Bhargava, Chairman was conferred the 'Padma Bhushan', the third highest civilian award for his contribution in the field of Public Affairs and 'Lifetime Achievement Award' at the prestigious Forbes India Leadership Awards 2015.

The Company received the following awards/recognitions/rankings during the year:

- J.D. Power CSI Study ranked the Company highest for the 16th consecutive year.
- 'Manufacturer of the year' by CNBC TV18 Overdrive, NDTV Car & Bike and Auto Car.
- 'Premium Hatchback of the Year' by NDTV Car & Bike and Auto Car, 'Premium Car of the Year' by CNBC TV18 Overdrive, 'Hatchback of the Year' by 8th BBC Top Gear India, and 'Value for Money Car' by Auto Car to Baleno.
- 'Auto Tech Review Engine of the Year' at Indian Automotive Technology and Innovation Awards (IATIA), 'Hatchback of the Year' at NDTV Car & Bike, 'Mid-size Hatchback of the Year' by Zeegniton Auto, 'Best Compact Car of the Year' by Motor Vikatan and 'Best Innovation' at 2015 World Auto Forum to Celerio.
- 'Compact Sedan of the Year' by NDTV Car & Bike, 'Sedan of the Year' by Auto Bild Golden Steering Wheel and 'Car of the Year' by Motoring World to Ciaz.
- 'Crossover of the Year Award' by EVO India off Road to S-Cross.
- 'Idea of the Year' by BBC Top Gear to Alto K10.
- 'Readers Choice Technology of the Year' and 'Auto Tech Review Environment Technology of the Year' at IATIA to Smart Hybrid Vehicle by Suzuki (SHVS).
- 'Golden Peacock' in automobile sector, 'Excellent Sanitation and Toilet Project', 'Driving Safety' and 'Greentech Award' in 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**  
Chairman

**KENICHI AYUKAWA**  
Managing Director & CEO

New Delhi  
26<sup>th</sup> April 2016

# Annexure - A

## FORM NO. MGT-9

### Extract of Annual Return

As on the financial year ended on 31st March 2016 [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 Computershare Private Limited Karvy Selenium Tower- B, Plot 31-32 Gachibowli, Financial District Nanakramguda, Hyderabad - 500 032 Ph. no.: 040-67162222 Fax no.: 040-23001153 Tollfree 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 shall be stated:

Sl. 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	89%

### III. Particulars of Holding, Subsidiary and Associate Companies:

Sl. 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.	Maruti Insurance Agency Services Limited	U74999DL2006PLC151108	Subsidiary	100.00%	2(87)
3.	Maruti Insurance Agency Logistics Limited	U66000DL2007PLC169581	Subsidiary	100.00%	2(87)
4.	Maruti Insurance Distribution Services Limited	U74999DL2002PLC113812	Subsidiary	100.00%	2(87)
5.	Maruti Insurance Agency Network Limited	U67200DL2004PLC126710	Subsidiary	100.00%	2(87)
6.	Maruti Insurance Agency Solutions Limited	U67200DL2004PLC126711	Subsidiary	100.00%	2(87)
7.	Maruti Insurance Business Agency Limited	U74999DL2002PLC113813	Subsidiary	100.00%	2(87)
8.	Maruti Insurance Broker Limited	U74140DL2010PLC201708	Subsidiary	100.00%	2(87)
9.	True Value Solutions Limited	U74999DL2002PLC113814	Subsidiary	100.00%	2(87)
10.	J.J. Impex (Delhi) Private Limited	U74140DL1976PTC008245	Subsidiary	50.87%	2(87)
11.	Asahi India Glass Limited	L26102DL1984PLC019542	Associate	11.11%	2(6)
12.	Bharat Seats Limited	L34300DL1986PLC023540	Associate	14.81%	2(6)
13.	Caparo Maruti Limited	U74899DL1994PLC058269	Associate	25.00%	2(6)

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
14.	Hanon Climate Systems India Private Limited (Formerly Halla Visteon Climate Systems India Limited)	U34300DL1991PTC046656	Associate	39.00%	2(6)
15.	Denso India Limited	U52110DL1984PLC019375	Associate	9.53%	2(6)
16.	Jay Bharat Maruti Limited	L29130DL1987PLC027342	Associate	29.28%	2(6)
17.	Krishna Maruti Limited	U34300HR1991PLC032012	Associate	15.80%	2(6)
18.	Machino Plastics Limited	L25209HR2003PLC035034	Associate	15.35%	2(6)
19.	SKH Metals Limited	U74130HR1986PLC023655	Associate	38.90%	2(6)
20.	Nippon Thermostat (India) Limited	U29309TN1994PLC027555	Associate	10.00%	2(6)
21.	Sona Koyo Steering Systems Limited	L29113DL1984PLC018415	Associate	6.94%	2(6)
22.	Magneti Marelli Powertrain India Private Limited	U40300HR2007PTC046166	Associate	19.00%	2(6)
23.	Bellsonica Auto Component India Private Limited	U35923HR2006FTC036301	Joint Venture	30.00%	2(6)
24.	Mark Exhaust Systems Limited	U32204DL1993PLC055905	Joint Venture	44.37%	2(6)
25.	FMI Automotive Components Private Limited	U34201DL2007PTC170043	Joint Venture	49.00%	2(6)
26.	Krishna Ishizaki Auto Limited	U35999DL1996PLC075180	Joint Venture	15.00%	2(6)
27.	Plastic Omnium Auto Inergy Manufacturing India Private Limited (Formerly Inergy Automotive Systems Manufacturing India Private Limited)	U35914HR2010PTC040501	Joint Venture	26.00%	2(6)
28.	Maruti Insurance Broking Private Limited	U74999DL2010PTC210739	Joint Venture	46.26%	2(6)
29.	Manesar Steel Processing India Private Limited	U27205HR2010PTC041264	Joint Venture	11.83%	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	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
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	22,337,623	0	22,337,623	7.39	18,324,245	0	18,324,245	6.07	(1.32)
b) Banks/ FI	22,047,450	0	22,047,450	7.30	21,363,220	0	21,363,220	7.07	(0.23)
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	65,830,983	0	65,830,983	21.79	72,354,849	0	72,354,849	23.95	2.16

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	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Qualified Foreign Investor)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	<b>110,216,056</b>	<b>0</b>	<b>110,216,056</b>	<b>36.48</b>	<b>112,042,314</b>	<b>0</b>	<b>112,042,314</b>	<b>37.09</b>	<b>0.6</b>
<b>2) Non- Institutions</b>									
a) Bodies Corp.	14,795,549	0	14,795,549	4.90	11,023,071	0	11,023,071	3.65	(1.25)
b) Individual									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5,927,758	4,485	5,932,243	1.96	7,032,061	4,615	7,036,676	2.33	0.37
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	312,000	0	312,000	0.10	284,033	0	284,033	0.09	(0.01)
c) Others									
i) Foreign Nationals	150	0	150	0.00	200	0	200	0.00	0.00
ii) Non Resident Indian	318,797	0	318,797	0.11	392,213	0	392,213	0.13	0.02
ii) Clearing Member	184,182	0	184,182	0.06	505,935	0	505,935	0.17	0.11
iv) Trusts	532,643	0	532,643	0.18	1,007,178	0	1,007,178	0.33	0.15
v) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2)</b>	<b>22,071,079</b>	<b>4,485</b>	<b>22,075,564</b>	<b>7.31</b>	<b>20,244,691</b>	<b>4,615</b>	<b>20,249,306</b>	<b>6.70</b>	<b>(0.6)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>132,287,135</b>	<b>4,485</b>	<b>132,291,620</b>	<b>43.79</b>	<b>132,287,005</b>	<b>4,615</b>	<b>132,291,620</b>	<b>43.79</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>302,075,575</b>	<b>4,485</b>	<b>302,080,060</b>	<b>100.00</b>	<b>302,075,445</b>	<b>4,615</b>	<b>302,080,060</b>	<b>100.00</b>	<b>0</b>

## ii) Shareholding of Promoters

Sl. 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%	-	-
	<b>Total</b>	<b>169,788,440</b>	<b>56.21%</b>	<b>-</b>	<b>169,788,440</b>	<b>56.21%</b>	<b>-</b>	<b>-</b>

## 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:

Sl. No.	Name of the Shareholder	Shareholding				Cumulative shareholding during the year		
		No. of Shares held as on 31/03/2015	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares	% of total shares of the Company
1	Life Insurance Corporation of India	17932030	5.94	31/03/2015			17932030	5.94
				10/04/2015	-88459	Transfer	17843571	5.91
				08/05/2015	-119494	Transfer	17724077	5.87
				22/05/2015	-116232	Transfer	17607845	5.83
				29/05/2015	-253520	Transfer	17354325	5.74
				05/06/2015	-144818	Transfer	17209507	5.70
				24/07/2015	-205422	Transfer	17004085	5.63
				31/07/2015	-339428	Transfer	16664657	5.52
				07/08/2015	-299082	Transfer	16365575	5.42
				14/08/2015	-156068	Transfer	16209507	5.37
				12/02/2016	194564	Transfer	16404071	5.43
				19/02/2016	315310	Transfer	16719381	5.53
				26/02/2016	300668	Transfer	17020049	5.63
				04/03/2016	306800	Transfer	17326849	5.74
				11/03/2016	55167	Transfer	17382016	5.75
				31/03/2016	0		17382016	5.75
2	ICICI Prudential Life Insurance Company Ltd.	3696842	1.22	31/03/2015			3696842	1.22
				10/04/2015	35047	Transfer	3731889	1.24
				17/04/2015	9523	Transfer	3741412	1.24
				24/04/2015	7743	Transfer	3749155	1.24
				01/05/2015	28362	Transfer	3777517	1.25
				08/05/2015	17864	Transfer	3795381	1.26
				15/05/2015	7261	Transfer	3802642	1.26
				22/05/2015	12040	Transfer	3814682	1.26
				29/05/2015	-15463	Transfer	3799219	1.26
				05/06/2015	-107229	Transfer	3691990	1.22
				12/06/2015	-7869	Transfer	3684121	1.22
				19/06/2015	-533	Transfer	3683588	1.22
				26/06/2015	-75900	Transfer	3607688	1.19
				30/06/2015	-19043	Transfer	3588645	1.19
				03/07/2015	-50188	Transfer	3538457	1.17
				10/07/2015	615	Transfer	3539072	1.17
				17/07/2015	-372	Transfer	3538700	1.17
				24/07/2015	2777	Transfer	3541477	1.17
				31/07/2015	-36440	Transfer	3505037	1.16
				07/08/2015	-51050	Transfer	3453987	1.14
				14/08/2015	24135	Transfer	3478122	1.15
				21/08/2015	11507	Transfer	3489629	1.16
				28/08/2015	39088	Transfer	3528717	1.17
				04/09/2015	-101137	Transfer	3427580	1.13
				11/09/2015	-42307	Transfer	3385273	1.12
				18/09/2015	-105816	Transfer	3279457	1.09
				25/09/2015	-89721	Transfer	3189736	1.06
				30/09/2015	-88013	Transfer	3101723	1.03
				02/10/2015	-37467	Transfer	3064256	1.01
				09/10/2015	21282	Transfer	3085538	1.02
				16/10/2015	1919	Transfer	3087457	1.02
				23/10/2015	-1438	Transfer	3086019	1.02
				30/10/2015	5925	Transfer	3091944	1.02
				06/11/2015	-856	Transfer	3091088	1.02
				13/11/2015	-87736	Transfer	3003352	0.99
				20/11/2015	-205572	Transfer	2797780	0.93
				27/11/2015	-100000	Transfer	2697780	0.89



Sl. No.	Name of the Shareholder	Shareholding			Cumulative shareholding during the year		
		No. of Shares held as on 31/03/2015	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares % of total shares of the Company
				04/12/2015	-519109	Transfer	2178671 0.72
				11/12/2015	-14749	Transfer	2163922 0.72
				18/12/2015	-37837	Transfer	2126085 0.70
				25/12/2015	-10047	Transfer	2116038 0.70
				31/12/2015	4844	Transfer	2120882 0.70
				08/01/2016	58012	Transfer	2178894 0.72
				15/01/2016	-250	Transfer	2178644 0.72
				22/01/2016	-27898	Transfer	2150746 0.71
				29/01/2016	-55684	Transfer	2095062 0.69
				05/02/2016	1690	Transfer	2096752 0.69
				12/02/2016	-82487	Transfer	2014265 0.67
				19/02/2016	8425	Transfer	2022690 0.67
				26/02/2016	4446	Transfer	2027136 0.67
				04/03/2016	39501	Transfer	2066637 0.68
				11/03/2016	10093	Transfer	2076730 0.69
				18/03/2016	18	Transfer	2076748 0.69
				25/03/2016	8425	Transfer	2085173 0.69
				31/03/2016	4732	Transfer	2089905 0.69
				31/03/2016	0		2089905 0.69
3	HDFC Trustee Company Limited-HDFC Equity Fund	2456253	0.81	31/03/2015			2456253 0.81
				03/07/2015	-39275	Transfer	2416978 0.80
				31/07/2015	-10000	Transfer	2406978 0.80
				23/10/2015	-25000	Transfer	2381978 0.79
				30/10/2015	-31300	Transfer	2350678 0.78
				15/01/2016	-129000	Transfer	2221678 0.74
				05/02/2016	-100000	Transfer	2121678 0.70
				12/02/2016	-113000	Transfer	2008678 0.66
				26/02/2016	-40000	Transfer	1968678 0.65
				18/03/2016	-150000	Transfer	1818678 0.60
				31/03/2016			1818678 0.60
4	Government Pension Fund Global	2356052	0.78	31/03/2015			2356052 0.78
				17/04/2015	-2616	Transfer	2353436 0.78
				01/05/2015	-3217	Transfer	2350219 0.78
				08/05/2015	-4908	Transfer	2345311 0.78
				29/05/2015	-222747	Transfer	2122564 0.70
				05/06/2015	-218276	Transfer	1904288 0.63
				12/06/2015	-86305	Transfer	1817983 0.60
				03/07/2015	-82645	Transfer	1735338 0.57
				10/07/2015	-52615	Transfer	1682723 0.56
				14/08/2015	-37761	Transfer	1644962 0.54
				21/08/2015	-7908	Transfer	1637054 0.54
				04/09/2015	-20567	Transfer	1616487 0.54
				11/09/2015	-31606	Transfer	1584881 0.52
				25/09/2015	27903	Transfer	1612784 0.53
				09/10/2015	-87500	Transfer	1525284 0.50
				27/11/2015	-70164	Transfer	1455120 0.48
				04/12/2015	-30035	Transfer	1425085 0.47
				11/12/2015	-60495	Transfer	1364590 0.45
				08/01/2016	-69513	Transfer	1295077 0.43
				22/01/2016	-29976	Transfer	1265101 0.42
				29/01/2016	-86731	Transfer	1178370 0.39
				04/03/2016	94195	Transfer	1272565 0.42
				11/03/2016	47337	Transfer	1319902 0.44
				18/03/2016	-37695	Transfer	1282207 0.42

Sl. No.	Name of the Shareholder	Shareholding			Cumulative shareholding during the year			
		No. of Shares held as on 31/03/2015	% of total Shares of the Company	Date	Increase/Decrease in shareholding	Reason for change	No. of Shares	% of total shares of the Company
				31/03/2016	55129	Transfer	1337336	0.44
				31/03/2016			1337336	0.44
5	New World Fund Inc	2198000	0.73	31/03/2015			2198000	0.73
				08/01/2016	-346700	Transfer	1851300	0.61
				15/01/2016	-350000	Transfer	1501300	0.50
				22/01/2016	-292000	Transfer	1209300	0.40
				12/02/2016	-12549	Transfer	1196751	0.40
				19/02/2016	-944751	Transfer	252000	0.08
				26/02/2016	-21135	Transfer	230865	0.08
				04/03/2016	-93557	Transfer	137308	0.05
				11/03/2016	-57294	Transfer	80014	0.03
				18/03/2016	-80014	Transfer	0	0.00
				31/03/2016			0	0.00
6	HSBC Global Investment Funds A/C HSBC GIF Mauritius	1924014	0.64	31/03/2015			1924014	0.64
				10/04/2015	-45	Transfer	1923969	0.64
				01/05/2015	-190571	Transfer	1733398	0.57
				29/05/2015	-17378	Transfer	1716020	0.57
				05/06/2015	-39206	Transfer	1676814	0.56
				26/06/2015	-61820	Transfer	1614994	0.53
				24/07/2015	-30000	Transfer	1584994	0.52
				04/09/2015	-2000	Transfer	1582994	0.52
				11/09/2015	-17575	Transfer	1565419	0.52
				18/09/2015	-10530	Transfer	1554889	0.51
				30/09/2015	-35000	Transfer	1519889	0.50
				27/11/2015	-26183	Transfer	1493706	0.49
				04/12/2015	-97007	Transfer	1396699	0.46
				18/12/2015	-30000	Transfer	1366699	0.45
				31/03/2016			1366699	0.45
7	Government of Singapore	0	0.00	31/03/2015			0	0.00
				30/10/2015	1457	Transfer	1457	0.00
				06/11/2015	49872	Transfer	51329	0.02
				13/11/2015	126481	Transfer	177810	0.06
				20/11/2015	304494	Transfer	482304	0.16
				27/11/2015	202709	Transfer	685013	0.23
				04/12/2015	948669	Transfer	1633682	0.54
				18/12/2015	4622	Transfer	1638304	0.54
				31/12/2015	-8420	Transfer	1629884	0.54
				08/01/2016	26625	Transfer	1656509	0.55
				15/01/2016	-332	Transfer	1656177	0.55
				22/01/2016	-778	Transfer	1655399	0.55
				29/01/2016	52779	Transfer	1708178	0.57
				05/02/2016	112445	Transfer	1820623	0.60
				12/02/2016	37682	Transfer	1858305	0.62
				26/02/2016	-772	Transfer	1857533	0.61
				04/03/2016	-4913	Transfer	1852620	0.61
				11/03/2016	-1816	Transfer	1850804	0.61
				31/03/2016	8483	Transfer	1859287	0.62
				31/03/2016			1859287	0.62

Sl. No.	Name of the Shareholder	Shareholding			Cumulative shareholding during the year		
		No. of Shares held as on 31/03/2015	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares % of total shares of the Company
8	HDFC Trustee Company Limited - HDFC Top 200 Fund	1788581	0.59	31/03/2015			1788581 0.59
				10/04/2015	-185200	Transfer	1603381 0.53
				17/04/2015	-32000	Transfer	1571381 0.52
				05/06/2015	-23000	Transfer	1548381 0.51
				12/06/2015	-169300	Transfer	1379081 0.46
				10/07/2015	-30000	Transfer	1349081 0.45
				31/07/2015	-50000	Transfer	1299081 0.43
				23/10/2015	-5000	Transfer	1294081 0.43
				30/10/2015	-131300	Transfer	1162781 0.38
				31/03/2016			1162781 0.38
9	Europacific Growth Fund	1680000	0.56	31/03/2015			1680000 0.56
				25/09/2015	700000	Transfer	2380000 0.79
				30/09/2015	1033367	Transfer	3413367 1.13
				02/10/2015	229421	Transfer	3642788 1.21
				09/10/2015	597212	Transfer	4240000 1.40
				16/10/2015	187447	Transfer	4427447 1.47
				23/10/2015	312553	Transfer	4740000 1.57
				26/02/2016	-119953	Transfer	4620047 1.53
				04/03/2016	-453895	Transfer	4166152 1.38
				11/03/2016	-277965	Transfer	3888187 1.29
				18/03/2016	-388187	Transfer	3500000 1.16
				31/03/2016			3500000 1.16
10	HDFC Standard Life Insurance Company Limited	1655719	0.55	31/03/2015			1655719 0.55
				10/04/2015	17104	Transfer	1672823 0.55
				17/04/2015	6026	Transfer	1678849 0.56
				24/04/2015	30800	Transfer	1709649 0.57
				01/05/2015	24038	Transfer	1733687 0.57
				08/05/2015	20841	Transfer	1754528 0.58
				15/05/2015	52600	Transfer	1807128 0.60
				22/05/2015	55000	Transfer	1862128 0.62
				29/05/2015	20000	Transfer	1882128 0.62
				05/06/2015	49177	Transfer	1931305 0.64
				12/06/2015	1610	Transfer	1932915 0.64
				19/06/2015	-7341	Transfer	1925574 0.64
				26/06/2015	18348	Transfer	1943922 0.64
				30/06/2015	-10000	Transfer	1933922 0.64
				03/07/2015	-11841	Transfer	1922081 0.64
				10/07/2015	-5277	Transfer	1916804 0.63
				24/07/2015	-5333	Transfer	1911471 0.63
				31/07/2015	-1449	Transfer	1910022 0.63
				07/08/2015	18	Transfer	1910040 0.63
				14/08/2015	-1250	Transfer	1908790 0.63
				28/08/2015	575	Transfer	1909365 0.63
				04/09/2015	-3270	Transfer	1906095 0.63
				11/09/2015	40039	Transfer	1946134 0.64
				18/09/2015	-193	Transfer	1945941 0.64
				30/09/2015	-24984	Transfer	1920957 0.64
				02/10/2015	-10500	Transfer	1910457 0.63
				09/10/2015	10364	Transfer	1920821 0.64
				16/10/2015	-49990	Transfer	1870831 0.62
				23/10/2015	5155	Transfer	1875986 0.62
				30/10/2015	-8624	Transfer	1867362 0.62
				06/11/2015	-8941	Transfer	1858421 0.62

Sl. No.	Name of the Shareholder	Shareholding				Cumulative shareholding during the year		
		No. of Shares held as on 31/03/2015	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares	% of total shares of the Company
				13/11/2015	-26960	Transfer	1831461	0.61
				27/11/2015	-116969	Transfer	1714492	0.57
				04/12/2015	-432470	Transfer	1282022	0.42
				11/12/2015	-23289	Transfer	1258733	0.42
				18/12/2015	-7632	Transfer	1251101	0.41
				31/12/2015	-25000	Transfer	1226101	0.41
				01/01/2016	-50000	Transfer	1176101	0.39
				08/01/2016	17388	Transfer	1193489	0.40
				15/01/2016	42272	Transfer	1235761	0.41
				22/01/2016	28026	Transfer	1263787	0.42
				29/01/2016	-13000	Transfer	1250787	0.41
				05/02/2016	-49041	Transfer	1201746	0.40
				12/02/2016	5295	Transfer	1207041	0.40
				19/02/2016	56822	Transfer	1263863	0.42
				26/02/2016	76	Transfer	1263939	0.42
				04/03/2016	-2572	Transfer	1261367	0.42
				11/03/2016	73	Transfer	1261440	0.42
				18/03/2016	16693	Transfer	1278133	0.42
				25/03/2016	172	Transfer	1278305	0.42
				31/03/2016	7000	Transfer	1285305	0.43
				31/03/2016			1285305	0.43
11	Fidelity Contrafund Fidelity Contrafund	1468248	0.49	31/03/2015			1468248	0.49
				24/07/2015	171121	Transfer	1639369	0.54
				09/10/2015	148453	Transfer	1787822	0.59
				22/01/2016	157370	Transfer	1945192	0.64
				31/03/2016			1945192	0.64
12	Copthall Mauritius Investment Limited	507937	0.17	31/03/2015			507937	0.17
				10/04/2015	-7199	Transfer	500738	0.17
				17/04/2015	-2136	Transfer	498602	0.17
				24/04/2015	-2949	Transfer	495653	0.16
				01/05/2015	-2238	Transfer	493415	0.16
				08/05/2015	-1332	Transfer	492083	0.16
				15/05/2015	-4311	Transfer	487772	0.16
				22/05/2015	-130	Transfer	487642	0.16
				29/05/2015	-24000	Transfer	463642	0.15
				05/06/2015	-47281	Transfer	416361	0.14
				12/06/2015	-10750	Transfer	405611	0.13
				19/06/2015	-1366	Transfer	404245	0.13
				26/06/2015	1575	Transfer	405820	0.13
				10/07/2015	16700	Transfer	422520	0.14
				17/07/2015	-46100	Transfer	376420	0.12
				24/07/2015	5000	Transfer	381420	0.13
				14/08/2015	-29308	Transfer	352112	0.12
				28/08/2015	19150	Transfer	371262	0.12
				11/09/2015	-39450	Transfer	331812	0.11
				25/09/2015	-70831	Transfer	260981	0.09
				30/09/2015	-19485	Transfer	241496	0.08
				09/10/2015	46118	Transfer	287614	0.10
				16/10/2015	59205	Transfer	346819	0.11
				23/10/2015	-35453	Transfer	311366	0.10
				30/10/2015	-9133	Transfer	302233	0.10
				06/11/2015	52324	Transfer	354557	0.12
				13/11/2015	12018	Transfer	366575	0.12

Sl. No.	Name of the Shareholder	Shareholding			Cumulative shareholding during the year		
		No. of Shares held as on 31/03/2015	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares
				20/11/2015	41183	Transfer	407758
				27/11/2015	35782	Transfer	443540
				04/12/2015	222700	Transfer	666240
				11/12/2015	12083	Transfer	678323
				18/12/2015	-60	Transfer	678263
				25/12/2015	-28759	Transfer	649504
				31/12/2015	-4570	Transfer	644934
				08/01/2016	-10375	Transfer	634559
				22/01/2016	12357	Transfer	646916
				29/01/2016	-87460	Transfer	559456
				05/02/2016	282367	Transfer	841823
				12/02/2016	53600	Transfer	895423
				19/02/2016	-18735	Transfer	876688
				26/02/2016	63528	Transfer	940216
				04/03/2016	48639	Transfer	988855
				11/03/2016	16528	Transfer	1005383
				18/03/2016	306176	Transfer	1311559
				25/03/2016	93162	Transfer	1404721
				31/03/2016	4037	Transfer	1408758
				31/03/2016	0		1408758

#### v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	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				
1.	Mr. S. Ravi Aiyar, Executive Director (Legal) & Company Secretary	1(one)	-	1(one)	-
2.	Mr. Ajay Seth, Chief Financial Officer	-	-	-	-
3.	Directors	-	-	-	-
	Date wise increase/ decrease in share holding 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. S. Ravi Aiyar, Executive Director (Legal) & Company Secretary	1(one)	-	1(one)	-
2.	Mr. Ajay Seth, Chief Financial Officer	-	-	-	-
3.	Directors				
	Mr. R. P. Singh	50(fifty)	negligible	50(fifty)	negligible

## V. Indebtedness

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

(In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year (31st March 2015)				
(i) *Principal Amount	NIL	5,156,055,334	NIL	5,156,055,334
(ii) Interest due but not paid	NIL	NIL	NIL	NIL
(iii) Interest accrued but not due	NIL	254,220,566	NIL	254,220,566
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>5,410,275,901</b>	<b>NIL</b>	<b>5,410,275,901</b>
Change in *Indebtedness during the financial year				
• Addition	NIL	774,231,460	NIL	774,231,460
• Reduction	NIL	(3,875,031,701)	NIL	(3,875,031,701)
Net Change	NIL	(3,100,800,241)	NIL	(3,100,800,241)
Indebtedness at the end of the financial year (31st March 2016)				
(i) *Principal Amount	NIL	2,308,984,273	NIL	2,308,984,273
(ii) Interest due but not paid	NIL	NIL	NIL	NIL
(iii) Interest accrued but not due	NIL	491,387	NIL	491,387
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>2,309,475,660</b>	<b>NIL</b>	<b>2,309,475,660</b>

\*Includes revaluation effect on foreign currency borrowings

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director and Whole-time Directors

(In ₹)

Sl. No.	Particulars of Remuneration	Mr. Kenichi Ayukawa	Mr. T. Hasuike	Mr. Shigetoshi Torii	Mr. Kazuhiko Ayabe	Total Amount
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,299,572	17,456,072	14,149,899	11,742,020	63,647,563
	(b) Value of perquisites under section 17(2) of Income-tax Act, 1961	6,500,001	5,800,000	5,278,585	4,252,671	21,831,257
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-	-	-
	(d) Fee for attending board/ committee meetings	-	-	-	100,000	100,000
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5.	Other – Performance Linked Bonus	12,745,000	10,875,000	9,090,000	7,575,000	40,285,000
	<b>Total (A)</b>	<b>39,544,573</b>	<b>34,131,072</b>	<b>28,518,484</b>	<b>23,669,691</b>	<b>125,863,820</b>
	Ceiling as per the Act (₹ in million)			6153		

**B. Remuneration to other Directors**

(In ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				
1.	Independent Director	Mr. Amal Ganguli	Mr. Davinder Singh Brar	Ms. Pallavi Shroff	Mr. Rajinder Pal Singh	Total Amount
	• Fee for attending board/committee meetings	1,550,000	1,600,000	900,000	800,000	4,850,000
	• Commission	5,500,000	3,375,000	2,250,000	2,250,000	13,375,000
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>7,050,000</b>	<b>4,975,000</b>	<b>3,150,000</b>	<b>3,050,000</b>	<b>18,225,000</b>
2.	Other Non-Executive Directors	Mr. R.C. Bhargava	Mr. Kinji Saito	Mr. Toshihiro Suzuki	Mr. Osamu Suzuki	Total Amount
	• Fee for attending board/committee meetings	1,000,000	500,000	400,000	400,000	2,300,000
	• Commission	7,750,000	-	-	-	7,750,000
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>8,750,000</b>	<b>500,000</b>	<b>400,000</b>	<b>400,000</b>	<b>10,050,000</b>
	<b>Total (B)=(1+2)</b>	<b>15,800,000</b>	<b>5,475,000</b>	<b>3,550,000</b>	<b>3,450,000</b>	<b>28,275,000</b>
	<b>Total Managerial Remuneration</b>					<b>28,275,000</b>
	Overall ceiling as per the Act (₹ in million)			615		

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

(In ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. S. Ravi Aiyar	Mr. Ajay Seth	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16,124,842	18,055,402	34,180,244
	(b) Value of perquisites under section 17(2) of Income-tax Act, 1961	287,763	342,513	630,276
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	452,399	467,089	919,488
	<b>Total</b>	<b>16,865,004</b>	<b>18,865,004</b>	<b>35,730,008</b>



## 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)
<b>A. Company</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the board of directors

**R.C. BHARGAVA**  
Chairman

**KENICHI AYUKAWA**  
Managing Director & CEO

New Delhi  
26<sup>th</sup> April 2016

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

### 1. Details of contracts or arrangements or transactions not on arm's length basis

Name of contract or arrangement	Name of related party	Nature of relationship	Duration of contract or arrangement	Salient terms of the contract or arrangement including the value, if any	Date(s) of approval by the board	Amount paid as advance, if any	Date on which special resolution was passed in general meeting as required under first proviso to Section 188
Contract Manufacturing Agreement (CMA)	Suzuki Motor Gujarat Private Limited (SMG)	Common Parent Entity- Suzuki Motor Corporation (SMC)	Initial period of 15 years which will be automatically extended for another 15 years unless terminated in accordance with the terms of CMA	1. The CMA was entered into between Maruti Suzuki India Limited (MSIL) and SMG, for the purposes of setting up a manufacturing facility by SMG in the designated land. 2. SMG would manufacture and supply the vehicles and parts exclusively for MSIL. The entire arrangement would be on the basis that SMG does not have any profits or losses at the end of any financial year as set out in the CMA. 3. Any arrangements in relation to the procurement of capital assets by SMG from SMC and/or other related parties of SMG would require the prior approval of MSIL. 4. The capital expenditure to be incurred by SMG would be funded by way of funds raised from the issuance of equity share capital by SMG to SMC and depreciation. Additionally, the cost of the vehicles would be reduced to the extent of fiscal incentive received from the Government of Gujarat in relation to setting up of the project. 5. Upon termination of the arrangement, MSIL would have the option of purchasing SMC's shares in SMG at book value in the manner as prescribed under the CMA.	1st October 2015 and 27th October 2015	N.A.	17th December 2015
Lease Deed (LD)	Suzuki Motor Gujarat Private Limited (SMG)	Common Parent Entity- Suzuki Motor Corporation (SMC)	It will be co-terminus with the CMA and will be for an initial period of 15 years and will be automatically extended for another 15 years	The LD was entered into between MSIL and SMG for the purposes of effectuating the arrangements as set out in the CMA wherein MSIL would provide the land measuring 5,15,804 sq. mtr. at Hansapur at ₹ 46,731,842 per annum and 26,204 sq. mtr. at Sitapur at ₹ 31,86,406 per annum in the state of Gujarat, to SMG on lease. Under this LD, SMG would set up the manufacturing unit along with all ancillary facilities for manufacturing the vehicles and parts. The lease rental has been determined based on the opportunity cost of funds to MSIL which is at present 10% per annum.	1st October 2015 and 27th October 2015	N.A.	17th December 2015

# Annexure – C

## 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 Clause 49 of the Listing Agreement executed with the Stock Exchanges.

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 and the Listing Agreement including rules and regulations made thereunder, 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,
  - (a) uphold the highest ethical standards of integrity and probity;
  - (b) act objectively and constructively while exercising his / her duties;
  - (c) exercise his / her responsibilities in a bona fide manner in the interest of the Company;
  - (d) devote sufficient time and attention to his / her professional obligations for informed and balanced decision making;
  - (e) 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;
  - (f) 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;
  - (g) avoid conflict of interest, and in case of any apparent situation of conflict of interest, make appropriate disclosures to the Board;
  - (h) assist the Company in implementing the best corporate governance practices;
  - (i) strictly adhere to and monitor legal compliances at all levels; and
  - (j) 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 Agreement.

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 Agreement 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 Clause 49 of the Listing Agreement.

## **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 Agreement 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:

- a. commits a breach of any of the duties, functions and responsibilities or obligations towards the Company or for reasons prescribed under the Act; or
- b. compromises independence vis-à-vis the Company in any manner whatsoever which will have an impact on the criteria of independence.
- c. 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 Agreement 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 Chairman 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 Evaluation Criteria

The Act and the Listing Agreement requires the evaluation of performance of the Directors of the Company to be undertaken as under:

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

# Annexure – D

## 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 activities are primarily in the areas of community development, road safety and skill development. To create a visible and lasting impact, the Company's approach is to focus on identified CSR programmes rather than spread resources thin over several projects.

The Company has designed and implemented social projects, in consultation with local communities, to have a meaningful impact on their lives.

To promote road safety, the Company has been setting up driving schools in collaboration with its dealers. However, their number is far from adequate considering the poor

facilities existing in India to train and test drivers before they are given licenses. The Company's efforts are to scale up the number of driving training schools, and undertake initiatives in collaboration with state governments to expand quality driving training in the country. The Company also promotes road safety through awareness campaigns, with a focus on youth and women drivers.

The Company is also committed to enhancing employability of underprivileged youth by improving the quality of skill training in Industrial Training Institutes (ITIs).

The Company's CSR projects are implemented in a structured manner, with clear objectives, plans, targets and with robust monitoring and evaluation parameters. Stakeholder engagement and shared value creation are the cornerstones of the CSR programmes of the Company.

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.

Sl. 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 (2012-13, 2013-14 and 2014-15) calculated in accordance with the provisions of the Section 198 is ₹ 3269.10 crore.

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 ₹ 65.40 crore.

5. Details of CSR spent during the financial year:

**A. Total amount to be spent for the financial year:** The Company was required to spend ₹ 65.40 crore in 2015-16 on CSR activities. As per the CSR Policy of the Company, an unspent amount of ₹12.86 crore from the CSR spend requirement of 2014-15 was carried forward to the CSR budget of 2015-16 and spent fully on CSR activities in 2015-16.

The Company had spent ₹ 37.25 crore in 2014-15. In 2015-16, the Company was able to scale up CSR spent to ₹78.46 crore i.e. 2.4% 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:

(in ₹ Crore)

Sl. 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*		
Community Development								
1.	Water & Sanitation projects: Including Sewer Lines, Bore wells, water tanks ,potable drinking water ATMs, Village Waste Collection & Disposal, Construction of Household toilets	Sanitation and Safe Drinking Water	1. Local 2. Gurgaon and Rohtak districts (Haryana), Ahmedabad district (Gujarat)	13.9	14.06	0.05	14.11	Direct
2.	Rural Development Projects: community halls , cremation grounds, parks, village streets and roads, playgrounds, etc.	Rural Development Projects	1. Local 2. Gurgaon and Rohtak districts (Haryana)	10	6.64	2.19	8.83	Direct
3.	Education projects : Upgradation of government school infrastructure and improve learning level of students and all round development of students and youth in the community. Scholarship to students from local community etc.	Promoting Education	1. Local 2. Gurgaon and Rohtak districts (Haryana), Ahmedabad district (Gujarat)	9.25	9.17	0.07	9.24	Direct
Skill Development								
1.	Upgradation of Government Vocational and Technical Training Institutes: Training and Capacity Building of teachers, Add –on courses, industry exposure for students, repair and maintenance of workshops, providing teaching aids etc.	Employment Enhancing Vocational Skills	1. Pan India	4.76	3.47	0.18	3.65	Direct
2.	Skill enhancement in Automobile Trade at Industrial Training Institutes (ITI)  Support upgradation of automobile trade at ITI's. Upgradation of training facilities, train the trainers, provision of study material and practical training	Employment Enhancing Vocational Skills	1. Pan India	5.0	6.23	0	6.23	Direct
Road Safety								
1.	Skill Development in Driving training: Create facilities for training professional drivers, train the trainer, Development of content, new methods of training, and sponsor driving training of novice and existing drivers.	Promoting Education, Vocational Skills	1. Pan India	18.2	13.25	0.14	13.39	Direct



(in ₹ Crore)

Sl. 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*		
2.	Road Safety Awareness: Campaigns at college, schools, and during road safety week/month. Road safety awareness campaigns on TV, radio, and print media.	Promoting Education	1. Pan India	9.25	12.52	0	12.52	Direct
3.	Developing driving training Infrastructure	Vocational Skills	1. Pan India	3.34	4.30	0	4.30	Direct
4.	City Specific Road Safety: Road safety awareness among citizens for road accidents reductions, analysis of accidents to make the city model in terms of road safety.	Promoting Education	1. Local 2. Gurgaon district (Haryana)	2.5	0.53	0.04	0.57	Direct
<b>Total (A)</b>							<b>72.84</b>	
<b>Others</b>								
Contribution to Prime Minister's National Relief Fund							<b>3.02</b>	
<b>Total (B)</b>							<b>75.86</b>	
<b>CSR Administrative Overheads**</b>								
Common Administrative Overheads (Salary of CSR staff and expenditure on training and capacity building) (C)							<b>2.60</b>	
<b>Grand Total (B+C)</b>							<b>78.46</b>	

\* Overheads means costs related to travel for project implementation, project documentation cost etc.

\*\* Administrative Overheads means costs related to training & capacity building; salary of on roll and outsourced CSR staff

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

Not applicable (The Company spent over 2% of the Average Net Profit of the last 3 financial years in 2015-16).

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

**KENICHI AYUKAWA**  
Managing Director & CEO

New Delhi  
26<sup>th</sup> April 2016

# Annexure - E

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 board's report for the year ended 31st March 2016.

## 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 operation. The Company spent ₹ 31.46 million as capital investment towards energy conservation equipments. Energy saving initiatives throughout the plant 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

- a) Increased loading of steam turbine generator in Manesar by efficient running of waste heat recovery boiler.
- b) Optimisation of power resources by use of low pressure steam turbine generator and auxiliary boiler on Sundays and other holidays.
- c) Enhanced use of power procured from government in furnaces, cooling towers and boiler feed pump.
- d) Alternate sourcing of electricity through open access.

### 2. Energy Conservation

- a) Increasing efficiency of compressed air plant by reduction of generating air pressure in Manesar casting plant.
- b) Provision of energy efficient drives like cyclo's, twin lobe blowers, submersible mixer in water treatment plant and energy efficient motors in blowers and cooling fans.
- c) Optimisation of process steam pressure by installation of pressure reducing and de-superheating station (PRDS).

### 3. Reliability / Process Improvement

- a) Design improvement of cooling air system to enhance air flow in casting plant.
- b) Replacement of single core high tension (HT) cable with three core cable to enhance reliability of power distribution system.
- c) Upgradation of turbocharger system in gas generator for instantaneous loads.

### 4. Safety Improvement

- a) Replacement of mild steel rubber lined tank by spiral polypropylene tank, for hydrochloric acid (HCL) storage to enhance safety.
- b) Installation of flow based odourisation system for quick alarm in case of natural gas leakage.

### 5. Conservation of water

- a) Installation of condensate recovery from steam distribution system.
- b) Increased water recycling by installation of additional stage reverse osmosis in effluent treatment plant.

## B. Research & Development (R&D)

The Company continues its effort on developing new products and technologies to meet growing customer expectations. The Company has consistently focused to design and develop global products using in-house capability and capacity.

The Company's R&D center with 1300 engineers and equipped with world class test and evaluation facilities, developed various new models across the segments. Three new models, premium cross over S-Cross, a premium hatchback Baleno and compact sport utility vehicle (SUV) Vitara Brezza were launched in 2015-16. The R&D center is developing many new models for future.

Vitara Brezza is a major milestone for the Company, as it is the first vehicle by the Company to be conceptualised, designed and developed in India using Suzuki Motor Corporation (SMC's) core technology, platform and engine.

The Company's approach was to focus on the key areas like engineer skill up-gradation, design capability, capacity enhancement and efficiency improvement. The Company continues to invest in its world class R&D facilities at the Rohtak R&D center. Many new regulations are being introduced covering safety and environmental aspects. The Rohtak's R&D center facilities will help in testing and validating products to meet these future regulations. The Company will be able to offer vehicles which are safer, environment friendly, provide enhanced comfort and convenience to the customers. A number of facilities like endurance test tracks, passive safety lab, vehicle dynamic lab, noise, vibration and harshness (NVH), ride handling, braking and structural durability lab were made operational and used in the development of various models. The new facilities will help in:

- Improving testing and judgment capability.
- Improving co-relation between physical and virtual evaluation to reduce the number of physical prototypes in the development cycle.
- Benchmarking performance of vehicles and incorporate the learning in future models.

To further build on engineering capability, the Company continues to work on various advance engineering projects that will be in production in near future. The Company is also working along with Government of India for faster adoption and manufacturing of hybrid and electric vehicles in India.

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

During designing and engineering of new vehicles and enhancement of existing models, the Company seeks to regularly develop new technologies. During the year, based on original work done by the Company engineers, sixty patent applications were filed and forty four technical papers were presented at various national and international conferences. This continuous development of new engineering designs and technology has

helped us in delivering better value to the customers in following areas:

#### **Comfort and convenience**

- Features like auto on/off headlamp, rain sensing wiper, smart play infotainment system with Apple car play, sunvisor with inbuilt lamp light, keep cool upper glove box, etc. were introduced for enhanced passenger comfort and convenience.
- Development of transmission unit with new shift tower concept to improve the overall gear shift feeling.
- Compact powertrain packaging to give customer more cabin space.
- Unique flip folded seats to ensure that the customer enjoys flexible boot space along with flat bed.

#### **Improved aesthetics**

- Introduction of new decoration process like hot stamping for improved interior finish.
- Roof lining made of knitted fabric was introduced to improve aesthetic appeal.
- Rendertech technology was used for the first time for geometric grain pattern on dash board for improved appearance and finish.
- Introduced dual tone exterior body color with a floating roof design concept.
- New composite material polyurethane (PU) and glass fibre sandwich of luggage board which is lighter and stronger.

#### **NVH and safety**

- Effective use of acoustic insulation and absorption materials around the cabin and engine compartment to ensure a silent cabin.
- New NVH facility at Rohtak was used for noise sensitivity analysis to identify the critical noise path and take suitable countermeasure to meet design performance.
- Considering the safety awareness in-house crash development for the Company's models was done using the Rohtak crash facility.

#### **Weight reduction and fuel efficiency improvement**

- Extensive usage of high strength and ultra high strength steel to make light weight yet rigid body in white (BIW) structure with enhanced crash performance.
- High tensile seat frame and mechanism for weight reduction.
- New light weight, efficient heating, ventilation and air conditioning (HVAC) platform in Baleno.
- Usage of alternate materials in exterior trims and body equipment for weight reduction.
- Use of computer aided engineering (CAE) for improvement of powertrain thermal and combustion efficiencies.
- Advances in engine calibration, high compression ratio designs, low friction engine oils, precision throttle control technology are some of the R&D focus areas to improve fuel efficiency.
- Reduction of transmission unit weight and transmission oil quantity by optimising the shape of transmission case in Alto.

- Other methods adopted were light-weighting of engine unit and auxiliaries and chassis aggregates. Use of computational fluid dynamics (CFD) analysis to reduce coefficient-of-drag (Cd), use of low drag brake calipers and low rolling resistance tires, etc. thereby improving fuel efficiency.
- Strengthened benchmarking capability to enhance in-house R&D capability progressively looking for opportunities for fuel efficiency improvement, light weighting, performance improvement, etc.

#### **Benefits derived as a result of above efforts**

- Launched Celerio diesel powered by DDiS 125 diesel engine which is a completely aluminum diesel engine designed by SMC for India and made in India.
- Launched Baleno the Company's first model exported to Japan and will also be exported to Europe.
- Launched Smart Hybrid Vehicle by Suzuki (SHVS) in Ciaz and Ertiga.
- Dzire is the first diesel vehicle in the Company's portfolio with Auto Gear Shift (AGS). AGS also launched in Wagon-R.
- Apple car play (smart play infotainment system) introduced in Baleno, Ciaz, Ertiga, S-Cross and Vitara Brezza.
- Alto 800 and Alto K10 base variant are now offered with option of driver side airbag and left-outside rear view mirror (ORVM) for increased safety.
- During the year, the Company has created a new segment of premium X-over by launching S-Cross. S-Cross was launched with DDiS200 and DDiS320 engines and is being sold through NEXA channel.
- Vitara Brezza, first compact SUV from the Company with DDiS200 engine.
- The Company saved ₹ 420 million by localisation and ₹ 2185 million from implementation of Value Analysis/Value Engineering (VA/VE) proposals.

#### **Future plan of action**

Customer aspirations and demands are evolving. There is demand of attractive design, higher fuel efficiency, improved comfort and convenience and enhanced safety. To ensure that customer and regulatory requirements are addressed effectively, R&D team is working proactively in the following areas:

- Introduction of new models, full model changes and minor changes.
- Development of technologies for upcoming safety regulations in the existing as well as the upcoming new models.
- Preparation for implementation of new emission regulations which are being announced by the Government of India.
- Review of engine line up to provide multiple engine options.
- Introduction of new technology to meet corporate average fuel efficiency (CAFÉ) targets in future.
- New generation platforms, use of ultra-high tensile steel for stronger, safer, lighter and more fuel efficient vehicles.
- Capability enhancement in the field of electric vehicle/hybrid electric vehicle (EV/HEV).
- Development of light weight and efficient transmission for small cars.
- New technologies in lighting, interiors and exteriors.
- Use of internal heat exchanger for improvement in passenger comfort.

## C. Technology Absorption, Adaptation and Innovation

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

- Design of components and systems using a robust design review process.
- Implementation of design failure mode and effect analysis (DFMEA) as a part of product design process to enhance design robustness.
- Component and sub-component level localisation, development and testing of parts for new models.
- Design of vehicle body using high tensile material and new light weight energy efficient structure.
- Capabilities enhanced in component and vehicle evaluation, component level CAE, benchmarking and design optimisation.
- Capability augmentation in the area of alternative fuels and power train through various study projects.
- VE during new model designing phase to maximise cost benefit.
- Idea generation for future design, quality up-gradation and cost reduction by teardown and benchmarking.
- Preparation of knowledge documents based on the market feedback to enhance future R&D capabilities for improved product quality for future models.

### 2. Benefits derived as a result of above efforts

- Lower costs due to high local content in new models and continuous reduction in product cost of existing models.
- Weight reduction of parts without compromising performance and durability.
- Improved fuel efficiency.
- Improved profitability of models.
- Improved productivity.
- Improved customer perception on technology front.

### 3. Technology inducted

- SHVS is a new age technology for lowering CO<sub>2</sub> emission. It includes integrated starter generator (ISG), regenerative braking, torque assist and idle start-stop function thereby resulting in FE improvement with respect to conventional engines.

- Baleno is the first vehicle in India in which Apple car play was introduced. Apple car play offers the best in car experience for iPhone users and lets the driver control all the multimedia functions via voice commands.
- Light emitting diode (LED) daytime running lamps and follow me home/ auto headlamps introduced in Baleno.
- Ultra-violet (UV) cut side door glasses were introduced for the first time in Baleno. It reduces impact of harmful UV rays, up to as high as 85% and still meets light transmission regulation requirements.
- High intensity discharge (HID) headlamps introduced in S-Cross for improved visibility.

**Year of Import:** 2015-16

**Status of absorption:** The technologies have been fully absorbed.

### Expenditure incurred on R&D

(₹ in million)		
Particulars	2015-16	2014-15
A Capital Expenditure	3,289	3,220
B Net Revenue Expenditure	2,646	3,340
Total	5,935	6,560

## D. Foreign Exchange Earnings & Outgo (Cash Basis)

During the year, total inflows (on cash basis) in foreign exchange were ₹ 46,728 million and total outflows (on cash basis) in foreign exchange were ₹ 81,201 million.

For and on behalf of the board of directors

**R.C. BHARGAVA**  
Chairman

**KENICHI AYUKAWA**  
Managing Director & CEO

New Delhi  
26<sup>th</sup> April 2016

# Annexure – F

## Form No. MR – 3

### Secretarial Audit Report

For the financial year ended on 31<sup>st</sup> March 2016

[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**  
New Delhi

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 **31st March, 2016**, 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, minutes books, forms and returns filed and other records maintained by **Maruti Suzuki India Limited** ("the Company") for the financial year ended on 31st March, 2016 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 to the extent of Foreign Direct Investment and External Commercial Borrowings. 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (b) 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;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 15th May, 2015;
  - (d) 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.

- 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

**We further report that** for the compliances of Labour Laws & other General Laws, 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 General laws and Labour Laws.

**We further report that** during the period under review the Company has complied with the Listing Agreement, to the extent applicable, entered into by the Company with National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. The Board of Directors has authorised the Managing Director & Company Secretary to execute revised listing agreement with the stock exchanges in its meeting held on January 28, 2016.

**We have also examined** compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent applicable.

**We further report that** 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 further report that** on the basis of the forms, returns and registers maintained, the Board had the requisite balance of rotational, non-rotational, independent and woman director and the composition of the Board was as per provisions of the Act during the period under review. 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. The composition as on 31st March, 2016 during the period under review is mentioned in **Annexure I**.

The Company has intimated all the Directors about the dates of the board/committee meetings before the beginning of the financial year. Further, all notices were sent in advance to all Directors to schedule the Board Meetings. The agenda of the meeting was sent adequately in advance 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. Further, majority decisions were carried through while the dissenting members' views, if any, was captured and recorded as part of the minutes.

**We further report that** there were 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.

The Board periodically reviewed reports of the compliances 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 were assigned to specified individuals. The software enables in planning and monitoring all compliance activities across the Company.

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

**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:-

- (i) The Board of Directors of the Company at the meeting of the Board held on October 27, 2015, on recommendation of the Audit Committee, approved a Scheme of Amalgamation between the Company and, the Amalgamating Companies, that is, seven wholly owned subsidiaries of the Company viz,
  - (a) Maruti Insurance Business Agency Limited;
  - (b) Maruti Insurance Agency Services Limited;
  - (c) Maruti Insurance Distribution Services Limited;
  - (d) Maruti Insurance Agency Logistics Limited;
  - (e) Maruti Insurance Agency Solutions Limited;
  - (f) Maruti Insurance Broker Limited; and
  - (g) Maruti Insurance Agency Network Limited,

and the respective shareholders and creditors of the Amalgamating Companies in terms of Section 391-394 of Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and Companies Act, 2013 ("Scheme").

- (ii) The Company by the way of Postal Ballot had sought approval of the members for related party transaction with Suzuki Motor Gujarat Private Limited.

#### **For RMG & Associates**

Company Secretaries

#### **CS MANISH GUPTA**

Partner

FCS : 5123; C.P. No.: 4095

New Delhi

26<sup>th</sup> April 2016

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

## Annexure I

Composition of the Board of Directors as on 31st March, 2016

Sl. No.	Name	Designation	Category
1	Mr. Ravindra Chandra Bhargava	Chairman	Chairman and Non-Executive
2	Mr. Kinji Saito	Director	Non-Executive
3	Mr. Osamu Suzuki	Director	Non-Executive
4	Mr. Toshihiro Suzuki	Director	Non-Executive
5	Mr. Kazuhiko Ayabe	Director	Non-Executive
6	Mr. Rajinder Pal Singh	Director	Non-Executive and Independent
7	Mr. Amal Ganguli	Director	Non-Executive and Independent
8	Mr. Davinder Singh Brar	Director	Non-Executive and Independent
9	Ms. Pallavi Shroff	Director	Non-Executive and Independent
10	Mr. Toshiaki Hasuike	Joint Managing Director	Executive
11	Mr. Kenichi Ayukawa	Managing Director and CEO	Executive
12	Mr. Shigetoshi Torii	Director (Production)	Executive

### Notes:-

- 1) Mr. Ravindra Chandra Bhargava is the Chairman and Non-Executive Director.
- 2) Out of the total composition of Board of Directors 1/3rd are Independent Directors.
- 3) Out of the total composition of Board of Directors more than 50% are Non-Executive Directors.



## Annexure II

### **The Members**

#### **Maruti Suzuki India Limited**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

### **For RMG & Associates**

Company Secretaries

#### **CS MANISH GUPTA**

Partner

FCS : 5123; C.P. No.: 4095

New Delhi

26<sup>th</sup> April 2016