



Serving with Commitment

Sustainability Report 2014-15

GRI G4 - In Accordance - Core

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Assurance Statement

Vision

The Leader in the Indian Automobile Industry,
Creating Customer Delight and Shareholders' Wealth;
A Pride of India.

Mission

Customer Obsession
Fast, Flexible and First Mover
Innovation and Creativity
Networking and Partnership
Openness and Learning

Serving with Commitment

“The best way to find yourself is to lose
yourself in the service of others.”

–Mahatma Gandhi



Chairman's Statement



Dear Stakeholder,

I am happy to present the Company's Sustainability Report for 2014-15.

Long term sustainability of any Company requires that it should always operate in a manner that meets the changing needs of its customers, and of society, in the best possible manner. The Company has to remain close to the users of its products, and also look after the interests of all stakeholders in a fair and equitable manner. We, in Maruti Suzuki, are very much aware of our responsibility and duty to shareholders to ensure sustainability, and over the last thirty-two years have been making our best efforts in this direction.

The NDA government came to power in 2014 and the Prime Minister has made manufacturing the prime driver for the growth of GDP, as well as employment, in India. This is for the first time that manufacturing has been given such high priority in the development strategy of a Government. The 'Make in India' programme is sweet music to our ears, because we have been making in India for over 30 years, creating large number of jobs and earning foreign currency by exporting our products. Global manufacturers of automobiles have been attracted to India, partly due to the success of Maruti Suzuki, and are also making in India. We believe that the policies of this Government will further strengthen our ability to become globally competitive, and give more and more value for money to our customers in India and abroad.

Maruti Suzuki, along with Suzuki Japan is in the process of establishing new manufacturing capacity in Gujarat. We expect to commission the first production line in the first half of 2017. The capacity will be needed by then to meet the growing demand for our products. The facilities in Gujarat have been designed incorporating Suzuki Japan's global learning and experience, and will be state of the art manufacturing facilities. Care has been taken to maximise, to the extent possible, the environmental friendliness of the facilities. The capacity needs of Maruti Suzuki for the next many years will be met by establishing more production lines in Gujarat. We could go up to a production volume of 1.5 million units in that State.

The Company has been introducing new products at regular intervals. Our own engineers have been increasingly making a contribution in the development work. Each new product attempts to give to our customers greater fuel efficiency, lower levels of emission and greater safety. We are grateful to our customers who have recognised our ability to give them

increased value year after year, by buying our products in increasing numbers.

In addition to new models being 8-12% more fuel efficient, our engineers have been working with alternate materials. We have achieved success in reducing vehicle weight and in making engine systems more efficient. Consumption of power and water per car in our operations has come down steadily over the years. Our successful experience with a 1 MW solar power plant encourages us to expand this form of energy generation in the near future.

Maruti Suzuki has, over the years, set an example of continuous improvement in all areas of its operations. This has been the result of our employees understanding that they and the management have to work together to ensure the sustained growth of the Company. The last 30 years have shown that by doing so they stand to gain much more in the way of career growth and a better quality of life. The management is conscious of its responsibility to not only have good communication with all employees but also to ensure that policies and actions promote this feeling of partnership between employees and management.

In the Manesar plant we have done away with the traditional method of employing contract workers. The system now adopted gives the workers a much greater sense of security and participation in the working of the Company. I believe that the labour laws should be amended to permit companies to have a certain percentage of workers as temporary workers, hired in the same manner as regular workers. All future vacancies of regular workers should be filled from the temporary workers, on the basis of seniority. Fluctuations in demand should be met by adjusting the number of temporary workers. Those laid off during the lean period should be back on work when demand improves. Even a subsistence allowance during the lay off period could be considered.

The Corporate Social Responsibility programme is now being implemented under the provisions of the new Companies Act and a full description of our activities are contained in our Annual Report as well.

I thank all stakeholders of the Company for their continued support. I look forward to your valuable feedback so that we can learn, improve and serve you even better.

R.C. Bhargava
Chairman

Managing Director's Statement



Dear Stakeholder,

I am delighted to share the seventh Sustainability Report of Maruti Suzuki. The theme of the report "Serving with Commitment" represents the Company's approach towards its stakeholders. The Company is committed to serve the society and enhance their quality of life through its products, services and social initiatives.

Year 2014-15 marked the reversal of the downward growth trajectory of passenger vehicle sales in the domestic market. The year closed with a growth of 3.9% for the passenger vehicle industry against a drop of 6.1% in the previous year. I am happy to share that the Company performed better than the industry and achieved a growth of 11.1% in domestic sales. The Company increased market share to 45%, from 42.1% in 2013-14. Overall sales volume growth, including exports, stood at 11.9%. Launch of new products with higher fuel efficiency, the reduced gap between petrol and diesel prices, high focus on quality, improved sentiment in urban markets and superior after-sales service helped the Company do better than competition.

There is a certain optimism of an economic recovery due to low inflation, successive rate cuts by RBI and policy action. The automobile industry will be a beneficiary of a recovery. For a continued growth momentum, creation of fresh jobs and growth in income is needed.

While it is widely expected that macro-economic factors will improve further, the Company's focus will continue to be on strengthening factors within its control. Going forward, the Company plans to launch new models with contemporary technology and performance, enter new product segments, further expand sales and service network and continue efforts towards improving efficiency. The Company's vehicle testing facility at Rohtak is set to strengthen R&D capabilities further.

The Company targets annual sales of 2 million vehicles in the medium term. Alongside this, we have resolved to strengthen quality in all areas of our business. Efforts will be to gear up the Company's business partners, suppliers and dealers and expand manufacturing facilities, for this goal. The foundation stone of the new manufacturing facility at Hansalpur, Gujarat was laid in January, 2015. This facility is expected to begin operations in 2017 and will supply vehicles exclusively to Maruti Suzuki.

Employees are the key strength of the Company. The Company took a slew of policy decisions to keep the employees

motivated. The career progression policy for executives was reviewed during the year to enhance growth opportunities and better align people development with the medium terms goals of the Company. A new organisation structure has been created to give impetus to learning and development culture in the Company. Through training and development, the Company intends to enhance capabilities of employees so that they can discharge their job responsibilities efficiently and also contribute to the growth of society and the country. The Company continued regular engagement with the employee unions and the workforce and maintained cordial relations with them.

The Company strives to minimise any negative impacts arising out of its operations and products, on the environment or on society. Applying the Japanese concept of "Kaizen", in a focused manner, the Company regularly improves manufacturing processes, products and supply chain operations for a greener and cleaner planet. We believe that having prosperous and satisfied communities around our facilities is important for our own sustainability. Our initiatives in the social sector stem from this belief.

The Company has chosen to undertake social initiatives in the areas of local community development, road safety and skill development. We strive to create a meaningful impact in these areas of the society. The Company has an organisation structure with the right competencies and skill set to engage with communities and efficiently implement social projects. The Company's social initiatives are planned, executed and monitored with rigour, as for other business initiatives. In addition, the Company has forged partnerships with the government, business partners, not for profit organisations to scale up and create a multiplier effect of its initiatives for society.

The Company supports the national programmes of Make in India, Clean India and Skill India. The Company's social initiatives contribute to these national missions.

I thank all stakeholders for their continued support and look forward to their valuable feedback.

K. Ayukawa
Managing Director and CEO

Risk Identification and Mitigation Strategies

RISK MANAGEMENT SYSTEM IN THE COMPANY

Maruti Suzuki has implemented a robust Risk Management process since 2006. The Company has set up an Enterprise Risk Management Committee (ERMC) that periodically reviews the risk library.

The Company has instituted a mechanism to periodically identify and mitigate business risks. The risk identification process includes interviews with relevant internal and external stakeholders of the Company, workshops and surveys. Management of each risk is assigned to a risk owner who in turn assigns risk mitigation activities to the designated risk champions.

The Company has also set up a Risk Management Committee of the Board to monitor and review risk management plan as per the requirements of the Companies Act 2013. The RMC has formulated a Risk Management Policy for the Company which has been approved by the Board.

Chief Risk Office at the corporate level coordinates all activities related to risk management and presents the report to the Risk Management Committee.

Identified Risks and Mitigation Strategies

Identified risks	Mitigation strategies
Unfavourable economic conditions Slow GDP growth, high interest rates, increasing cost of ownership for vehicle and volatile fuel prices	<ul style="list-style-type: none"> High focus on exchange sales, introduction of market based discounts, incentives and promotion schemes Launch of fuel efficient vehicles Flexible manufacturing to adapt to market demand fluctuations Expansion of sales and service network High focus on semi-urban and rural markets
Regulatory changes Regulatory changes in domestic and export markets	<ul style="list-style-type: none"> Expansion of R&D capabilities, incorporation of advance safety features Designing vehicles with low carbon emission and high fuel efficiency
Competition and changing customer preferences Entry of new players in compact car segment Shift in customer preference towards safer, fuel efficient and low emission cars	<ul style="list-style-type: none"> Diversification of product portfolio Further enhancement of vehicle performance Strengthening after sales services Pricing the vehicles attractively Introduction of advance technologies to ensure safety, lesser fuel consumption and lower carbon emissions Use of recyclable material in vehicle manufacturing
Talent retention Talent retention challenges	White collar employees <ul style="list-style-type: none"> Employee motivation, career growth, training and development Conducting employee satisfaction survey Blue collar employees <ul style="list-style-type: none"> Taking action on the outcome of the survey Regular engagement with workers Direct communication between top management and workers Safe working environment
High level of dependency on value chain High level of dependency on suppliers, dealers and transporters for components, sales and transportation respectively	Suppliers <ul style="list-style-type: none"> Suppliers' capacity building in the area of manufacturing, skill development, quality, HR practices, compliance and safety Establishment of supplier base close to manufacturing facilities



Identified risks	Mitigation strategies
Challenges related to truckers' health, safety and timely vehicle delivery	Transporters <ul style="list-style-type: none"> Engagement with transporters' management on critical social issues such as driver training, health and welfare Road safety awareness and driving training for drivers Route rationalisation and monitoring of accident data Equipping trailers with GPS devices
Economic viability of dealers' operation	Dealers <ul style="list-style-type: none"> Dealers' performance monitoring Supporting dealers' financial stability Regular training of sales executives and service technicians
Quality issues Quality issues in the components procured	<ul style="list-style-type: none"> Assessment of suppliers' manufacturing processes Capacity building of suppliers for quality management
Breach of information security Leakage of confidential information related to upcoming products, system, strategy and customers	<ul style="list-style-type: none"> Strengthening information security systems Creating awareness among employees Strengthening vigilance processes
Corruption Corruption and unethical practices	<ul style="list-style-type: none"> Mandatory adherence to code of business conduct by all employees Creating awareness among middle and senior management Clearly defined guidelines
Water scarcity Depleting ground water table	<ul style="list-style-type: none"> Meeting most of water requirement from canal water Recycling and reuse of water System improvement for water consumption reduction Rainwater harvesting for usage and ground water recharge
Emissions Air pollution	<ul style="list-style-type: none"> Designing low carbon emitting vehicles Manufacturing and promotion of CNG vehicles Process enhancement for emission reduction Use of solar energy and cleaner fuel for electricity production
Negative social impact Negative impact of the Company's operations on local communities	<ul style="list-style-type: none"> Engagement with local communities, government agencies, and other stakeholders to assess the Company's negative impacts Addressing concerns of the local communities Planning the Company's operations to minimise disturbance to local communities

Organisation Profile



Maruti Suzuki was established in 1981 as a joint venture company between the Government of India and Suzuki Motor Corporation (SMC), Japan.

The Company is a Public Limited Company and a subsidiary of Suzuki Motor Corporation. It is listed on the Bombay Stock Exchange Limited and National Stock Exchange of India. Suzuki Motor Corporation owns 56.21% equity stake in the Company.

As a leading passenger vehicle manufacturer in India, the Company holds 45% market share in an intensely competitive market. It is SMC's largest subsidiary in terms of volume of

production and sale, thus holding an important position in SMC's global strategy.

Maruti Suzuki is a financially sound company. The Company's net sales and net profits stood at ₹ 4,86,055 million and ₹ 37,112 million respectively for the year 2014-15.

The Company sold a total of 12,92,415 units in 2014-15, of which exports constituted 1,21,713 units. This was the highest ever sales for the Company. The combined manufacturing capacity of Maruti Suzuki's Gurgaon and Manesar facilities is about 1.5 million vehicles per year.

Facility	Location	Details
Corporate office	New Delhi	The corporate office houses important functions such as marketing and sales, legal and secretarial, and corporate planning etc. It has a Brand Centre where the Company's products are displayed.
Manufacturing facilities	Gurgaon, Haryana	The facility has three integrated vehicle assembly plants, a K-series petrol engine plant and a diesel engine plant.
	Manesar, Haryana	The facility has three integrated vehicle assembly plants and a powertrain (engine and transmission) plant.
	Gujarat	Maruti Suzuki has purchased land in Gujarat for future expansion. A new vehicle manufacturing facility is proposed to be set up by Suzuki Motors Gujarat (SMG). Operations are likely to commence in 2017 and will supply vehicles exclusively to the Company. A Contract Manufacturing Agreement between Maruti Suzuki and SMG will be put to vote by minority shareholders.
R&D	Rohtak, Haryana	A world class R&D centre is being developed at Rohtak. In the near future, facility at Rohtak would help in attaining in-house design, development and evaluation capability.



1.5 Mn units
Total Installed Capacity
(Gurgaon and Manesar)



393 suppliers
As on 31st March, 2015,
including 18 joint
venture companies



12.80 lakh vehicles
Served by the
Company's service
network per month

SCALE OF ORGANISATION

Offices in India

Offices	Number
Regional offices	17
Area offices	16
Zonal offices	5

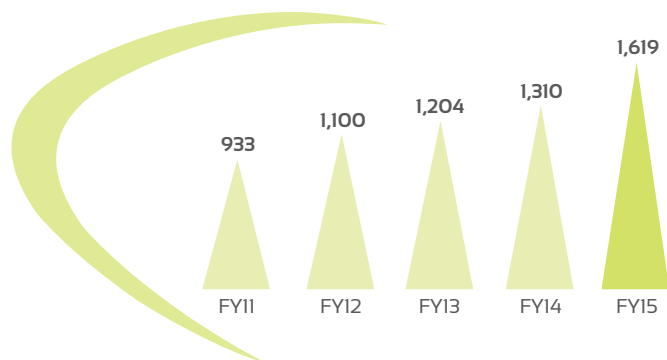
Sales and Service Outlets

Outlets	Number of outlets	Number of cities covered
Sales	1,619	1,290
Service	3,086	1,471
True value	867	648

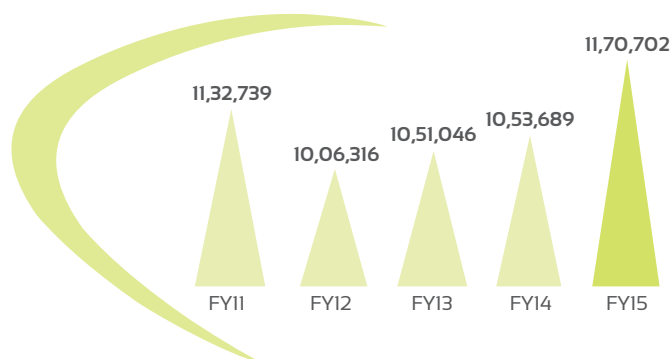
Employee Details

Employee category	Number of employees
Regular employees (regular, associates and trainees)	12,785
Apprentices	1,164
Contract/ temporary workers	8,527
Total	22,476

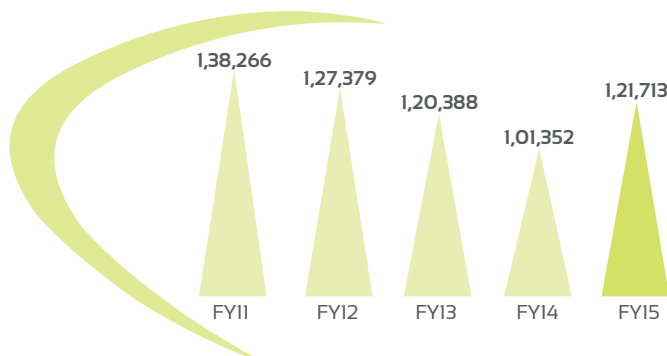
Domestic Sales Outlets



Domestic Sales (Units)



Exports Sales (Units)



Top 5 Export markets

Country	Units sold
Algeria	12,860
Sri Lanka	12,226
Chile	10,042
UK	8,055
Angola	7,729



Primary Products and Services



Celerio



WagonR



Ertiga



Gypsy



Omni

Category	Sub-segment	Models
A	Mini	Alto, WagonR
	Compact	Swift, Ritz, Celerio, DZire
	Super compact	DZire Tour
	Mid-size	Ciaz
B	Utility vehicles	Gypsy, Ertiga
C	Vans	Omni, Eeco

Note: DZire is reported under compact segment from August 2014 onwards, as per SIAM classification.





Dzire



Ciaz



Swift



Alto K10
(Also, Alto 800)



Ritz



Eeco

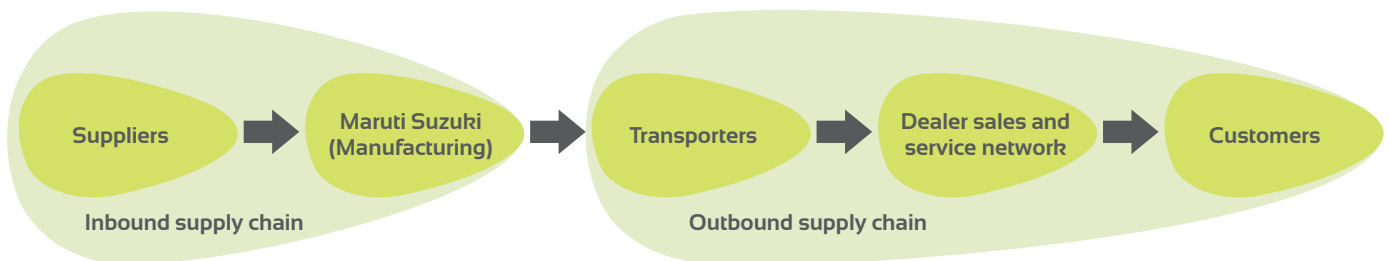


The Company offers following services for the convenience of its customers to provide a one-stop shop solution.

Services	Details
Vehicle Servicing	The Company offers after sales car servicing facility through its nationwide service network.
Maruti Finance	Helps customers in choosing right financier under one roof and supports the customers up to completion of loan formalities.
Maruti Insurance	Maruti Insurance Broking Private Limited is a Direct Insurance Broker licensed by IRDA. It offers various general insurance products, mainly motor insurance to Maruti Suzuki customers from leading insurance companies like National Insurance, New India Assurance, ICICI Lombard, Iffco Tokio, Royal Sundaram and Bajaj Allianz.
True Value	Maruti True Value is India's largest certified used car dealer network.
Maruti Genuine Parts	Offers genuine spare parts for Maruti Suzuki vehicles. Maruti Genuine Parts are easily available across the nationwide network of Maruti Suzuki's dealer workshops, service stations, Maruti Genuine Parts distributors and retail outlets at reasonable prices.
Maruti Genuine Accessories	Offers over 1,600 accessories to help customers choose right accessories for their Maruti Suzuki vehicles. Maruti Genuine Accessories combine quality, durability, aesthetics and design to complement car.
Maruti Suzuki Auto Card	A loyalty card provided by Maruti Suzuki offers advantages such as 4% value back, exclusive discounts on car exchange, exciting rewards on car referrals and complimentary gift vouchers and fuel surcharge waiver of 2.5% across all petrol pumps etc.
Maruti Driving School	Opened in association with the dealer network, these schools offer world-class driving training to help people drive safely with confidence. Till 31 st March, 2015, there were 340 such schools in operation.

VALUE CHAIN

Maruti Suzuki's Value Chain



In-bound supply chain: Maruti Suzuki sources components for its vehicles from an extensive supplier base. A large part of the value generation for the Company's vehicles occurs at the suppliers' end. Maruti Suzuki had 393 direct suppliers on 31st March, 2015, including 18 joint venture companies.

Adjoining its facilities in Gurgaon and Manesar, the Company has established Suppliers' Parks where suppliers producing critical components have established manufacturing facilities. Nearly 86% of the supplier base by value is located within a 100 km radius of the facilities. The Company works on the

just-in-time system to reduce inventory within factory premises. It works closely with suppliers as per a tight schedule to run a seamless system of timely delivery of components.

Outbound supply chain: The Company's outbound supply chain transports vehicles to dealerships across the country from where they are sold. The logistic operations are outsourced to a group of 84 transporters who use over 10,000 GPS enabled trailers. A large part of transportation of vehicles is undertaken via roads. However, on a smaller scale, transportation is also done through specially designed railway wagons.

The Company's vehicles are transported through a fleet of over 10,000 trailers to dealerships across the country.

In 2014-15, about 50,000 trailer drivers received driving training at Driver Education Centres and Institutes of Driving and Traffic Research.

Maruti Suzuki officials felicitating a trucker at the annual event, Jagriti



S. no.	Management systems	Year of adoption	Coverage
1	OHSAS 18001: 2007	2012	Head Office, Gurgaon and Manesar facilities
2	ISO 14001: 2004	1999	Gurgaon and Manesar facilities
3	ISO 9001: 2008	1995	Gurgaon and Manesar facilities
4	ISO 27001: 2005	2006	Head Office, Zonal Regional, Area Offices, Gurgaon and Manesar facilities

S. no.	Membership of associations, societies and industry bodies*
1	Confederation of Indian Industry (CII)
2	Society of Indian Automobile Manufacturers (SIAM)
3	Society for Automotive Fitness & Environment (SAFE - A SIAM initiative)
4	Bureau of Indian Standards (BIS)
5	Society of Automotive Engineers (SAE)
6	Advertising Standards Council of India (ASCI)
7	The International Society of Automation (ISA)
8	Media Users Research Council (MURC)
9	UN Global Compact India (UNGC)
10	Federation of Indian Chambers of Commerce and Industry (FICCI)
11	National HRD Network (NHRDN)
12	All India Management Association (AIMA)
13	Employers Federation of India (EFI)
14	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)

* List is indicative.

SIAM Councils Groups

S. no.	Councils	Groups	Chair	Co-chair
1	Council on International Business	<ul style="list-style-type: none"> International Relation 		✓
2	Council on Market	<ul style="list-style-type: none"> Trade Fairs Service Heads 	✓ ✓	✓
3	Council on Economic Affairs	<ul style="list-style-type: none"> Taxation Procedural Finance & Leasing and Insurance Anti-Counterfeiting 	✓ ✓ ✓	
4	Technical Council	<ul style="list-style-type: none"> Frontier Technology, EV & HEV Gaseous Fuels Styling & Design 	✓	✓ ✓
5	National & International Regulations	<ul style="list-style-type: none"> Emission & Conservation CMVR & Safety International Harmonisation 	✓	✓ ✓ ✓

Industry Body Membership**

S. no.	CII committees	Position
1	CII, Haryana State Council	Vice Chairman
2	Regional Committee on CSR, CII Northern Region	Member
3	Committee on Affirmative Action, CII Northern Region	Member

** List is indicative.

Report Scope and Aspect Boundary

REPORT PROFILE

Maruti Suzuki publishes its Sustainability Report annually. This is the Company's seventh Sustainability Report for the period 1st April, 2014 to 31st March, 2015. This report has been prepared as per GRI G4 guidelines and is in accordance to "Core" reporting.

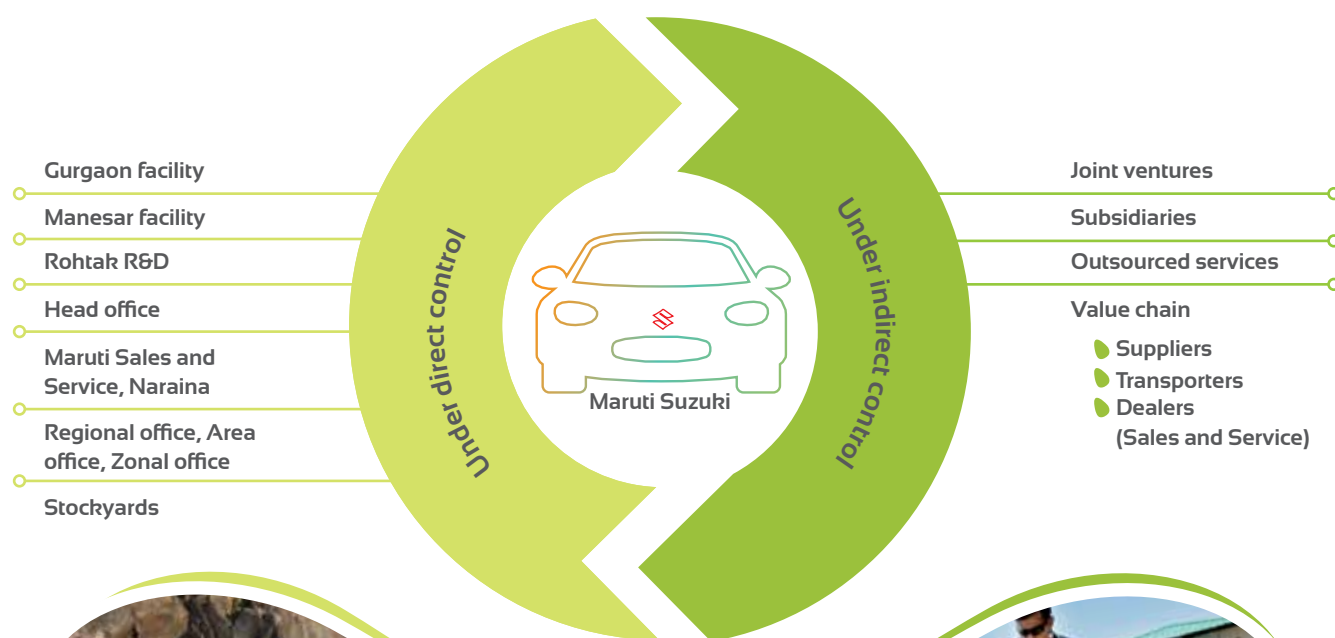
The report is assured and verified by an independent assurance provider, DNV GL Business Assurance India Pvt. Ltd. as per AA 1000 AS (2008). There is an internal approval system in the Company for appointment of external assurance provider for the Report. The Assurance Statement is given at the end of the report.

The Company has followed the approach described in GRI implementation manual for preparing the report content. The materiality matrix provides information on material issues addressed in the report. The Disclosures on Management Approach describes the Company's approach to material issues and the indicators provide details on the performance on those issues.

The restated data has been indicated throughout the report. Rohtak R&D facility has been included in the environmental performance indicators in this report. Other than this, there has been no significant change from the previous reporting period in the report scope and aspect boundaries.

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

This Sustainability Report includes operations and businesses that fall in the direct control of the Company. Subsidiaries, joint ventures and associate companies where the Company has no operational control are excluded. For defining the report content and boundary, the Company mapped out its operations, as depicted in the diagram.



Team building exercise for employees through Outbound Training

ASPECT BOUNDARY FOR SUSTAINABILITY REPORT

The aspect boundaries and content of this Sustainability Report has been defined using reporting principle prescribed in the GRI G4 guidelines. The Company has identified its boundary for each aspect and indicator mentioned in the guidelines. This Sustainability Report boundary has been developed out of this list of individual aspect boundaries.

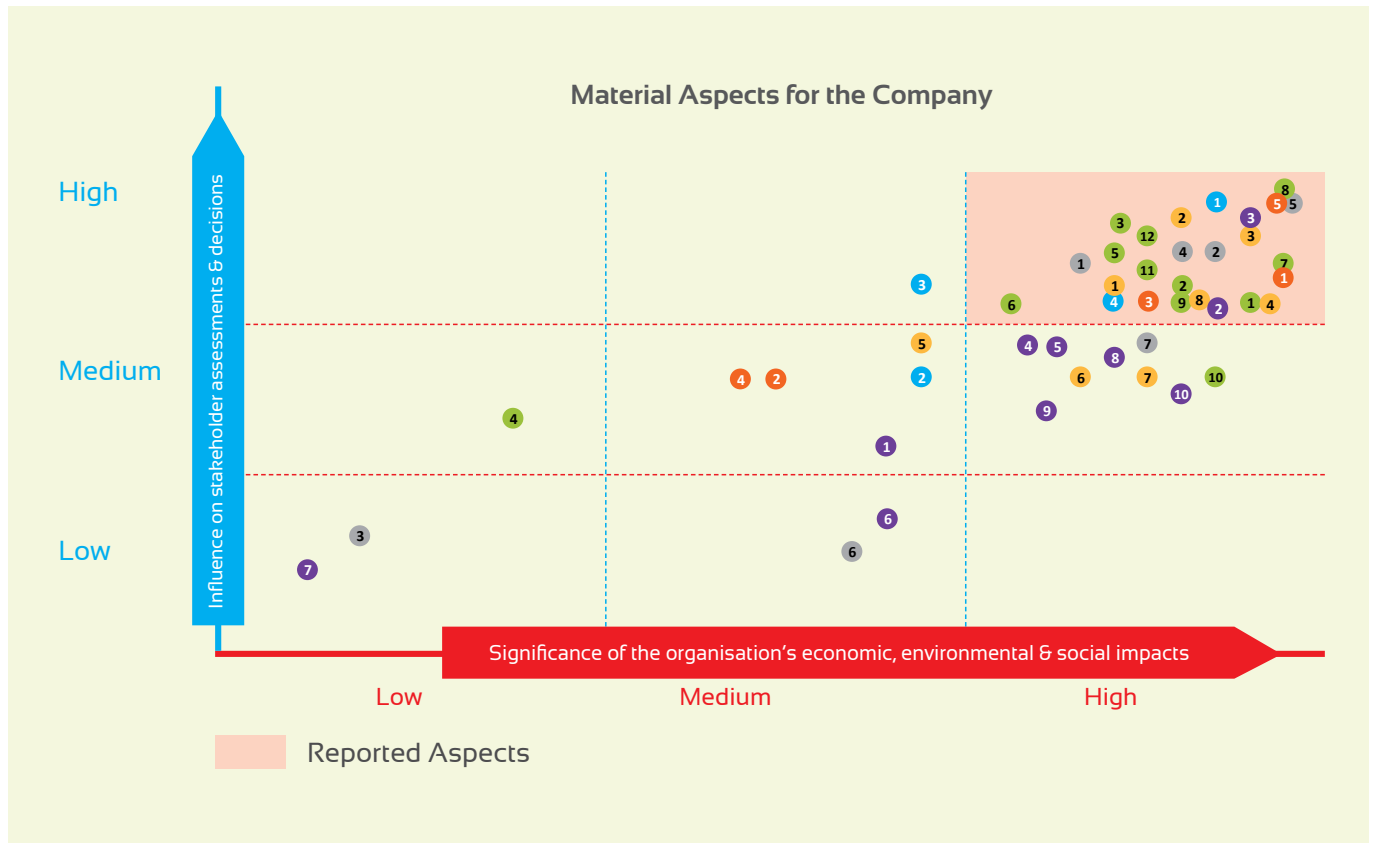
Material aspects	Gurgaon	Manesar	Rohtak	Head office	Other facilities/ offices	Supply chain
Economic performance						
Procurement practices						
Materials						
Energy						
Water						
Emissions						
Effluents and waste						
Products and services						
Compliance						
Transport						
Supplier environmental assessment						
Environmental grievance mechanisms						
Employment						
Labour/management relations						
Occupational health and safety						
Training and education						
Supplier assessment for labour practices						
Labour practices grievance mechanisms						
Freedom of association and collective bargaining						
Supplier human rights assessment						
Human rights grievance mechanisms						
Local communities						
Anti-corruption						
Anti-competitive behaviour						
Compliance						
Customer health and safety						
Marketing communications						
Compliance						

There were no changes in the Company ownership during the year. There was no significant change in the size of Company during the year. As on 31st March, 2015, the Company had a supplier base of 393 suppliers, an increase from 326 suppliers last year. The number of regular employees increased from 12,547 in 2013-14 to 12,785 in 2014-15.

MATERIALITY MATRIX

The Company undertook an internal materiality assessment exercise for defining report content. All cross- functional team members involved in report preparation dedicated a day to understand the concept of materiality and jointly create the

materiality matrix. The exercise was guided by an external sustainability expert. The matrix was then evaluated and modified by the corporate level Sustainability team. The materiality of each aspect of the GRI G4 reporting framework was evaluated in the Company's context.



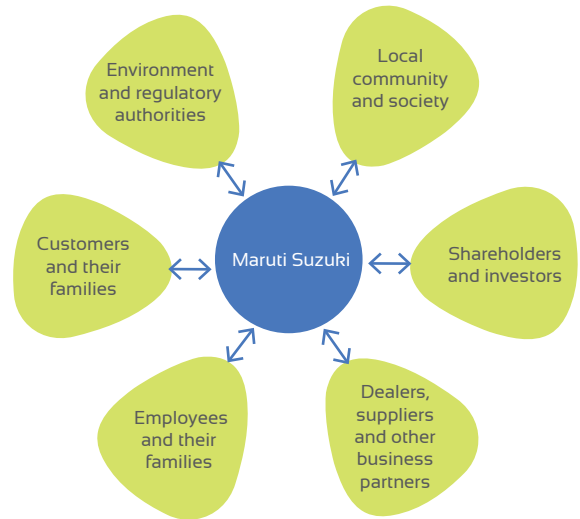
Economic	Product Responsibility	Human Rights
<ol style="list-style-type: none"> 1. Economic Performance 2. Market Presence (Wage ratio) 3. Indirect Economic Impacts 4. Procurement Practices 	<ol style="list-style-type: none"> 1. Customer Health & Safety 2. Product & Service Labelling 3. Marketing Communications 4. Customer Privacy 5. Compliance 	<ol style="list-style-type: none"> 1. Investment 2. Non-discrimination 3. Freedom of Association & Collective Bargaining 4. Child Labour 5. Forced or Compulsory Labour 6. Security Practices 7. Indigenous Rights 8. Assessment 9. Supplier Human Rights Assessment 10. Human Rights Grievance Mechanisms
Environment	Labour Practices and Decent Work	Society
<ol style="list-style-type: none"> 1. Materials 2. Energy 3. Water 4. Biodiversity 5. Emissions 6. Effluents & Waste 7. Products & Services 8. Compliance 9. Transport 10. Overall (Environmental Expenditure) 11. Supplier Environmental Assessment 	<ol style="list-style-type: none"> 1. Employment 2. Labour/Management Relations 3. Occupational Health & Safety 4. Training & Education 5. Diversity & Equal Opportunity 6. Equal Remuneration for Women & Men 7. Supplier Assessment for Labour Practices 8. Labour Practices Grievance Mechanisms 	<ol style="list-style-type: none"> 1. Local Communities 2. Anti-corruption 3. Public Policy 4. Anti-competitive Behaviour 5. Compliance 6. Supplier Assessment for Impacts on Society 7. Grievance Mechanisms for Impacts on Society

STAKEHOLDER ENGAGEMENT

Organisations and individuals that are impacted by Maruti Suzuki's operations and that can potentially impact its sustainability and growth are identified as key stakeholders by the Company. The Company has well established processes for identifying and engaging with stakeholder groups. Stakeholder engagement is a continuous process that takes place throughout the year.

Stakeholder engagement details

In the tables below 'ongoing' refers to programmes/events conducted more than once in a month.



Employees

Activity	Formal/informal	Frequency	Engagement approach to address concerns
Managing Director's communication with all department heads	Formal	Bi-annual	To update Department Heads on Company performance and developments.
Divisional communication meetings	Formal	Monthly	To update employees on Company performance and developments.
Human resources initiatives development committee	Formal	Once in two months	For employees' participation in framing employee-related policies.
Family interactions			
● 'Parivaar Milan' for associates	Informal	Monthly	Family interaction and visit to facilities to strengthen the bonding and togetherness between the Company, employees and their families.
● 'Family connect' for executives and above	Informal	Quarterly	
Inter-divisional sports tournaments	Informal	Annual	To build team spirit amongst employees.
Suggestion schemes and quality circles	Formal	Ongoing	Employees implement work related suggestions and are rewarded appropriately.
360 degree feedback	Formal	Annual	To improve leadership capability through direct feedback from juniors, peers and seniors.
Stay interviews	Formal	Ongoing	A platform for employees to share their concerns, so that they are addressed and employees can continue serving the Company for long.
Employee relations development committee	Formal	Monthly	A platform that ensures constructive discussions between workers' unions and Company officials.
Buddy system	Formal	Ongoing	"Buddies" or mentors are assigned to new recruits to help them adjust to the Company.
Umbrella mentoring	Formal	Ongoing	One supervisor mentors a group of seven associates on a professional and personal level.

Customers

Activity	Formal/informal	Frequency	Engagement approach to address concerns
Brand track	Formal	Ongoing	To gauge customers' perception of corporate brand and product brands.
Customer meet	Formal	Ongoing	To gauge customers' satisfaction level with products and services.
Customer satisfaction feedback	Formal	Ongoing	To analyse customer feedback and take suitable measures for upgrading products and services.
Mega service camps	Formal	Ongoing	A means to receive first-hand customer feedback and resolve complaints.
Customer care cell	Formal	Ongoing	A 24 x 7 toll-free number (18001800180) for customer complaints.
Product clinics	Formal	Before product launch	To collect product specific feedback from customers.
Free check-up camps and customer meets	Formal	Ongoing	To address customers' concerns and complaints.

Shareholders and Investors

Activity	Formal/ informal	Frequency	Engagement approach to address concerns
Annual general meeting	Formal	Annual	For investors to interact directly with Company's top management.
Press releases and emails	Formal	Ongoing	To disseminate information such as financial results, new model launches and price changes to investors.
Investor meets	Formal	5-6 meets a year	To update investors on current business environment and Company's approach and strategies.
One-to-one meetings and conference calls	Formal	Ongoing	To address investor-specific queries.

Note: The Company has a dedicated Investor Relations team that can be contacted at investor@maruti.co.in or 011-46781126/22.

Suppliers

Activity	Formal/ informal	Frequency	Engagement approach to address concerns
Maruti Centre for Excellence	Formal	Ongoing	To upgrade suppliers through training, consultation and sharing Company's best practices.
Suppliers' club	Formal	Ongoing	A platform for select suppliers to discuss critical issues with Company's top management.
Quality Month	Formal	Annual	To enhance quality consciousness amongst suppliers.
Value Analysis and Value Engineering (VA-VE) Month	Formal	Annual	To achieve cost competitiveness jointly with suppliers.
Quality Circle competition	Formal	Annual	To promote quality circle culture amongst suppliers.
Joint venture HR meetings	Formal	Once in two months	To review HR and IR issues and suggest necessary countermeasures.
Vendor conference	Formal	Annual	A platform for Company's top management and suppliers' CEOs to share thoughts and best practices.
Energy audits	Formal	Ongoing	To identify opportunities to reduce energy consumption at suppliers' end.
Environment management system promotion	Formal	Ongoing	Engagement and support for ISO 14001 certification for Tier-I suppliers.
Safety audits	Formal	Ongoing	To promote safety culture amongst suppliers.

Dealers

Activity	Formal/ informal	Frequency	Engagement approach to address concerns
Balanced score card	Formal	Quarterly	A tool for sustained performance improvement of dealers in areas such as operations, sales, service and spares.
Dealer management systems	Formal	Ongoing	A system for seamless business transactions between dealerships across India and Company.
Dealer conference	Formal	Annual	A platform to share best practices, offer future direction and receive feedback from dealers.
Guidance on business and financial matters	Formal	Ongoing	A way of capacity building and hand-holding of dealers by the Company.

Local Communities and Societies

Activity	Formal/ informal	Frequency	Engagement approach to address concerns
Community development around facilities	Formal/ Informal	Ongoing	<ul style="list-style-type: none"> The Company's officials from CSR, Vigilance, Production and HR department meet at least once in each quarter with village panchayat leaders to understand community concerns and discuss ways to address those. CSR department create opportunities for such meetings. The Company meets the senior officers in Government departments for necessary permissions and for taking their inputs for community development projects. Dedicated teams are deployed at each location to engage with community on day to day basis and for implementation of social development projects. Senior management of the Company is invited by village leaders to participate in various village festivals/events on regular basis. Employees also engage with community as part of volunteering programme.
Skill development	Formal	Ongoing	<ul style="list-style-type: none"> Quarterly review meetings with the Chairman of the Institute Management Committee of ITIs where the Chairman is from Maruti Suzuki who is a Vice President or Executive Director level person. Regular engagement with students and staff of ITIs for industry exposure, personality development and trainings etc.
Road safety initiatives	Formal	Ongoing	<ul style="list-style-type: none"> Engagement with Government officials i.e. Traffic Police Commissioners and civil societies for promotion of road safety. Driving training is offered to general public, marginalised groups, trailer drivers through IDTRs, MDS's, DEC's and Road Safety Knowledge Centres. Road Safety Awareness Programmes for school children and youth are organised across various schools and colleges.
Interaction with industry body CSR committees	Formal	Ongoing	<ul style="list-style-type: none"> Regular engagement with industry body committees on CSR through conferences and seminars.

Environment and Regulatory Authorities

Activity	Formal/ informal	Frequency	Engagement approach to address concerns
Community feedback	Formal	Annual	Gauges environmental impact of the Company on the neighbouring community.
Interaction with regulatory authorities	Formal	Ongoing	Interaction and communication with authorities such as officials of Centre and State Pollution Control Boards and Ministry of Environment, Forest and Climate Change to discuss environmental issues.
Advocacy on future environmental regulations and policies	Formal	As required	Participation in committees set up by SIAM and Government on future environment regulations, policies and implementation plans.
Hybrid and electric cars	Formal	Ongoing	Working closely with Government for attaining goals under the National Electric Mobility Mission Plan 2020 (NEMMP), for hybrid and electric car.

Awards and Accolades

TO THE COMPANY

- 'Hall of Fame' award at NDTV Car and Bike Awards 2015 for consistent performance in last 10 years
- PCRA (Petroleum Conservation Research Association) Green Award for best fuel efficiency awarded at NDTV Car and Bike Awards
- Manufacturer of the Year Award by CNBC TV18 Overdrive
- No. 1 position in J. D. Power Customer Satisfaction Index (CSI) Study for the 15th year in a row
- Declared country's 4th Most Admired Company by Fortune magazine
- 'Transmission of the Year' and 'Readers' Choice Technology of the Year Award' for Auto Gear Shift technology given at Auto Tech Review 2014 Awards
- Golden Peacock Award for Occupational Health and Safety
- 'Best Private Organisation Training Program' won by Maruti Suzuki Training Academy's skill development initiative at ASSOCHAM's Summit-cum-Awards on Skilling India
- Corporate Dossier, Economic Times ranked Maruti Suzuki at No. 4 in a list of top 100 Best Companies in CSR
- Excellent Sanitation and Toilet Project award by IndiaCSR
- Greentech Platinum Award for CSR by Greentech Foundation
- Golden Peacock Award for CSR in Automobile Sector by Institute of Directors
- Education and Skill Development Award 2014 by NGOBOX-CSR Impact
- Madan Mohan Malviya Award 2014 for Best CSR Practices in Education given by CSR Times
- 50 Most Caring Companies Award by CSR World Day
- Award for CSR initiatives towards road safety (four wheeler) by Bloomberg TV





TO THE COMPANY'S PRODUCTS

Ciaz

- Motoring World Car of the Year
- NDTV Car and Bike Compact Sedan of the Year
- Sedan of the Year by Auto Bild Golden Steering Wheel Awards



Celerio

- NDTV Car and Bike Hatchback of the Year Award
- Mid-size Hatchback of the Year given at Zeegniton Auto Awards 2015

Alto K10

- Auto Gear Shift (AGS) won the Idea BBC Top Gear Magazine 'Idea of the Year' Award



Corporate Governance



Maruti Suzuki is committed to practising sound corporate governance and upholding the highest business standards. The Company believes good corporate governance is essential for building trust between stakeholders, the management and the Board of Directors. Robust governance practices have been implemented at all levels of the organisation.

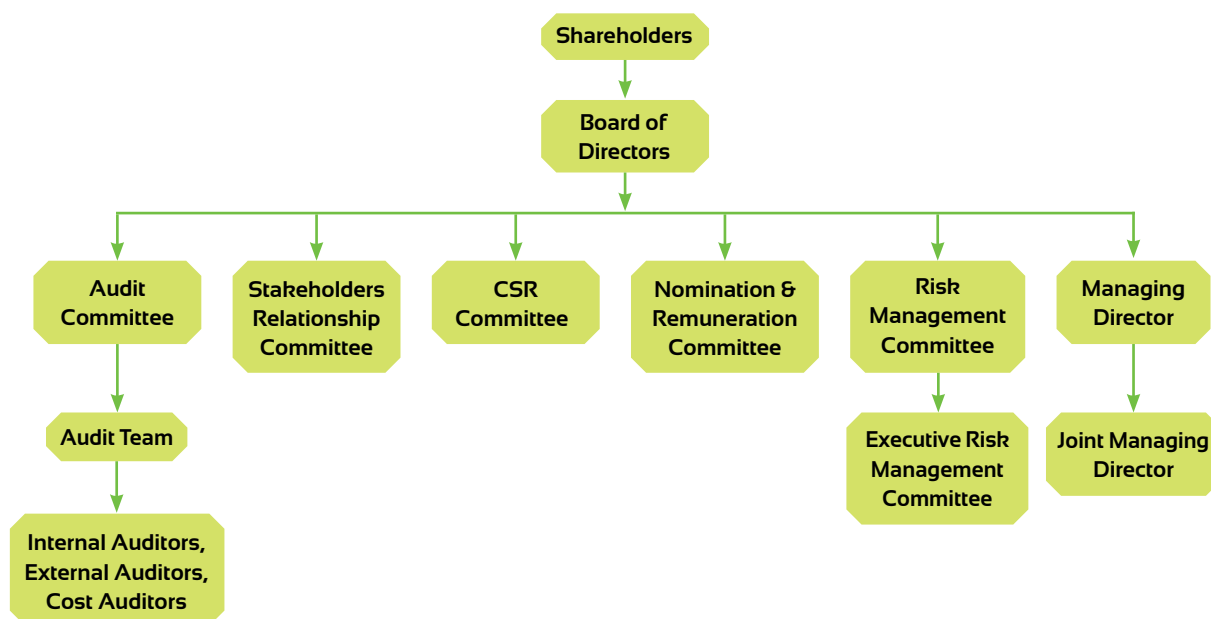
The Company fosters a culture in which high standards of ethical behaviour, individual accountability and transparent disclosures are ingrained in all its business dealings and shared by its Board of Directors, management and employees.

Directors and Board Level Committees as on 31st March, 2015

S. no.	Name	Designation	Executive/ Non-executive	Audit committee	Stakeholders relationship committee	CSR committee	Nomination and remuneration committee	Risk management committee*
1	Mr. R.C. Bhargava	Chairman	Non-executive		Chairman	Chairman	Member	Chairman
2	Mr. Kenichi Ayukawa	Managing Director & CEO	Executive	Member	Member	Member		Member
3	Mr. Toshiaki Hasuike	Joint Managing Director	Executive					Member
4	Mr. Kazuhiko Ayabe	Director (Supply Chain)	Executive					
5	Mr. Shigetoshi Torii	Director (Production)	Executive					
6	Mr. Osamu Suzuki	Director	Non-executive					
7	Mr. Toshihiro Suzuki	Director	Non-executive				Member	
8	Mr. Kinji Saito	Director	Non-executive					
9	Mr. Amal Ganguli	Independent Director	Non-executive	Chairman			Chairman	
10	Ms. Pallavi Shroff	Independent Director	Non-executive	Member				
11	Mr. Davinder Singh Brar	Independent Director	Non-executive	Member	Member		Member	
12	Mr. R. P. Singh	Independent Director	Non-executive			Member		Member

* Mr. Ajay Seth, CFO, is a member of the Committee.

Corporate Governance Structure





MECHANISM FOR PROVIDING INFORMATION TO THE BOARD

The Company has been structured into five business verticals and supporting divisions. The Executive Officers (EO) of the business verticals and the supporting divisions attend all Board meetings along with the executive directors. The Board meetings mark the compulsory presence of all the EOs, as they act as a channel between the Board and the employees.

The Company has a Business Review Committee (BRC), consisting of whole-time directors, senior management personnel and divisional heads. The BRC meets every week to review the operational performance of the Company. The concerns of the stakeholders, major environmental and social issues are also discussed at Business Review Meetings. The monthly meeting of the Committee is attended by the Chairman of the Board. The Company has instituted adequate means for providing relevant information to the Board.

Board members, along with the Chairman of the Audit Committee and Stakeholders' Relationship Committee, attend Annual General Meeting (AGM).

The Board takes note of shareholders' suggestions and replies to queries.

APPLYING THE PRECAUTIONARY APPROACH

The Company undertakes Environmental Impact Assessments to identify potential impacts of new manufacturing projects and expansion of existing facilities on the environment. The Company undertakes mitigation efforts in line with the findings of the assessment.

REMUNERATION OF THE BOARD OF DIRECTORS

The Company has constituted Nomination and Remuneration Committee as per the requirements of the Companies Act 2013.

Besides salary and other perquisites, the Managing Director and whole-time directors are paid a profit-linked bonus that is directly linked to their performance. The performance criteria for the payment of performance-linked bonus are defined by the Board. These performance criteria include financial performance and parameters related to the growth of the Company.

PROCESS FOR DETERMINING COMPOSITION, QUALIFICATION AND EXPERTISE OF HIGHEST GOVERNING BODY AND ITS COMMITTEES

The setting up of the committees of the Board and the composition of the committees are based on the statutory requirements and business needs. The Company has constituted Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Stakeholders' Relationship Committee besides, a Committee of Directors for borrowing from banks/financial institutions.

The members of the Board and its various committees are chosen as and when vacancy is created due to the retirement, resignation or completion of the term of the existing members. During the year, the Company constituted a CSR Committee under the chairmanship of non-executive director. Eminent persons with proven track record and relevant experience are chosen as members of the Board and the committees. The Board also consists of a women director which is a mandatory requirement as per Clause 49 of the Listing Agreements and Companies Act 2013.

Further, the Company has a policy for Performance Evaluation of Independent Directors which is done by the rest of the Board. The Company takes necessary approvals from the shareholders and investors and also informs SEBI, stock exchange and the internal and external stakeholders.

MANAGING CONFLICT OF INTEREST

The Company has a Code of Business Conduct and Ethics which is applicable to all its senior management personnel, including directors, top management and functional heads (including management personnel with direct functional reporting to directors and top management personnel), who affirm compliance to the Code on an annual basis. The Company organises awareness workshops for better understanding of the Code of the Conduct. In 2014-15, 11 sessions were conducted for Middle and Senior Management on ethics and anti-corruption. Code of Conduct is available on the Company's website at <http://www.marutisuzuki.com/code-of-conduct.aspx>

During the year, there were no transactions of material nature with the promoters, the directors or the management, their subsidiaries or relatives that had potential conflict with the

interests of the Company. All disclosures related to financial and commercial transactions where directors may have a potential interest are provided to the Board and the interested directors do not participate in the discussion, or vote on such matters.

No transaction with any of the related parties was in conflict with the interests of the Company. All related party transactions are approved by the Audit Committee and negotiated on an arm's length basis. All the material related party transactions are disclosed on a quarterly basis with compliance report on Corporate Governance.

Further details are available in the Corporate Governance Report in the Annual Report 2014-15.

LEGAL COMPLIANCE

The Board reviews the Compliance Report with respect to all applicable laws, as well as steps taken to rectify instances of non-compliances, if any. Comprehensive legal compliance scheduling and management software, which helps to delegate and monitor all compliances across the Company, is used.

Reports are generated through the software for each department/ location, providing a snapshot of all compliances.

INSIDER TRADING & WHISTLE BLOWER POLICY

The Company has a comprehensive Code of Conduct for Prevention of Insider Trading under SEBI (Prohibition of Insider Trading) Regulations, 1992. It is applicable to its directors, officers (Company Secretary), designated employees and their dependent family members. It lays down guidelines on procedures to be followed and disclosures to be made while dealing with shares of the Company and caution on the consequences of non-compliance.

The Company has in place a Whistle Blower Policy that can be used by all employees. The policy addresses concern raised about serious irregularities, unethical behaviour and actual or suspected fraud within the Company. Mr. Amal Ganguli, Chairman, Audit Committee, is the ombudsperson under the policy. The policy has been widely communicated to all employees and the e-mail address, postal address and telephone numbers of the ombudsperson shared for direct reporting of any matter.

Maruti Suzuki
top management addressing
press conference



Mr. Ayukawa, MD & CEO, addressing senior and
top management at the communication meeting

Economic Performance



12,92,415 Vehicles sold
Highest Ever Sales



4/5
Top selling models in the country
are from Maruti Suzuki



45%
Domestic market share
(passenger vehicle)



23%
Growth in CNG vehicles sale

Disclosure on Management Approach

Maruti Suzuki believes in generating wealth and spreading prosperity for its stakeholders. Besides tracking its own business performance, the Company is also concerned about the financial health of its business partners (suppliers and dealers), shareholder's wealth, employee welfare and social development.

The management monitors sales of vehicles, parts and accessories; cost reduction, commodity prices, network expansion, quality etc. in the Business Review Meetings and through various management tools such as Balanced Scorecard, tracks performance of dealers and suppliers. It shares best practices with suppliers and dealers on a regular basis in areas such as manpower development, new component development, cost reduction, quality systems, manufacturing processes etc.

With regard to business expansion, the Company's approach is that of prudence and caution with an eye on long term goals. The Company makes its future plans after factoring in business viability and return on investment, its value system, ethics and the interests of its key stakeholders.

The Company is exposed to several risks on the financial front such as foreign exchange movement, rising competition, change in government policy, risks arising from an extensive supplier base etc. The Company has developed an elaborate system to identify and mitigate these risks.

The Company regularly communicates its economic performance to its stakeholders. For this multiple fora are used, such as Annual General Meeting (AGM), investor meetings, investor conference calls, quarterly press releases and press conferences. The information on the corporate website is periodically updated for the benefit of general public.

HIGHLIGHTS OF 2014-15

The past year was the third successive year of slow GDP growth in the country. Interest rates remained high for customers. The cost of purchasing and running cars continued to rise. Fuel prices fluctuated as the Government deregulated diesel. The demand for cars was supported to some extent by reduction in excise duty on passenger vehicles for most part of the year, stable



government at the Centre and stable Rupee. Reserve Bank of India lowered benchmark interest rates though marginally also contributed to the improved consumer sentiments.

The domestic passenger vehicle industry registered a volume growth of 3.9% in 2014-15. Maruti Suzuki was able to perform better than the industry by posting a growth of 11.1% in domestic sales while competition showed de-growth of 1.3%. The Company increased its market share in passenger vehicles from 42.1% in 2013-14 to 45% in 2014-15. Introduction of new models, focus on first time buyers, revival of growth in urban areas and continued strong performance in rural markets contributed to the strong performance of Maruti Suzuki.

The Company remained focused on enhancing exports to key markets in Africa, Latin America and Asia. For the first time, Maruti Suzuki's annual exports to non-Europe markets crossed 1,00,000 units. The Company was able to achieve a growth of 20.1% in export sales during the year, despite decline in exports to Europe.

In addition to high sales volume, favourable foreign exchange and material cost reduction initiatives also contributed to the bottom line of the Company.

In 2014-15, the Company registered the highest ever sales of 12,92,415 units. The Net Sales increased from ₹ 4,26,448 million in 2013-14 to ₹ 4,86,055 million in 2014-15. The Profit After Tax for the year was ₹ 37,112 million, an increase of 33% over 2013-14. The Company's Reserves and Surplus touched ₹ 2,35,532 million in 2014-15.

To attain its mid-term target of 2 million annual sales, the Company has developed a road map for sales and service network expansion. The Company is working closely with its business partners to reach this target.

Market capitalisation as on 31st March, 2015 was ₹ 11,17,394 million, an increase from ₹ 5,95,400 million as on 31st March, 2014.

The Parts and Accessories business registered a growth of 18.3% in 2014-15.

Over 5,00,000 suggestions were generated by employees leading to a saving of over ₹ 3,900 million in 2014-15.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Direct Economic Value Generated

Item	Unit	2012-13	2013-14	2014-15
Domestic sales	Units	10,51,046	10,53,689	11,70,702
Exports	Units	1,20,388	1,01,352	1,21,713
Total	Units	11,71,434	11,55,041	12,92,415
Total revenue	₹ Million	4,44,003	4,45,235	5,08,022
Net sales	₹ Million	4,26,126	4,26,448	4,86,055
Profit after tax	₹ Million	23,921	27,830	37,112
Operating costs	₹ Million	3,84,785	3,74,125	4,18,571

Direct Economic Value Distributed

Item	Unit	2012-13	2013-14	2014-15
Employee wages and benefits	₹ Million	10,696	13,681	16,066
Shareholders' fund	₹ Million	1,85,789	2,09,780	2,37,042
Dividend proposed	₹ Million	2,417	3,625	7,552
Contribution to the National Exchequer	₹ Million	85,178	87,832	91,012**
CSR spend	₹ Million	189.4	232.8	372.5 *

* As per CSR rule under companies Act 2013.

** Includes ₹ 11,516 million of state exchequer.

Maruti Suzuki's Contribution to Employee Benefit Plan Obligation (₹ Million)

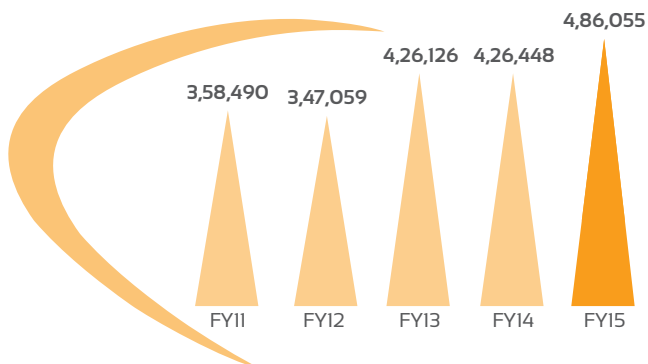
Present value of obligation (as on)	Leave encashment/ compensated absence	Employees' gratuity fund	Retirement allowance	Provident fund
31 st March, 2013	1,274	1,126	44	6,009
31 st March, 2014	1,448	1,351	47	7,908
31 st March, 2015	1,830	1,715	54	9,563

Source: Note 28 (Employee Benefit Expenses) of Standalone Accounts of 2012-13, 2013-14 and 2014-15.

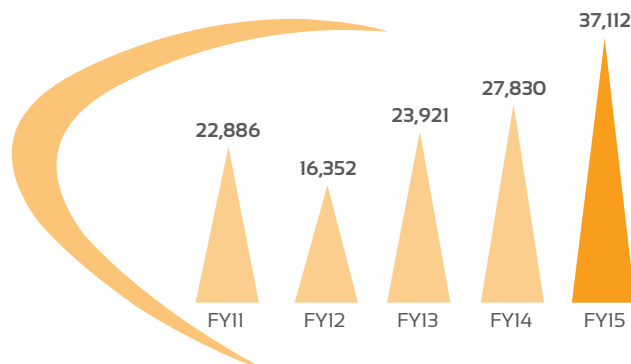
The Company keeps wages of its permanent, contract and temporary employees above the standard entry-level minimum wages fixed by the State Government. There is no gender differentiation in the Company's wages.

FINANCIAL PERFORMANCE AT A GLANCE

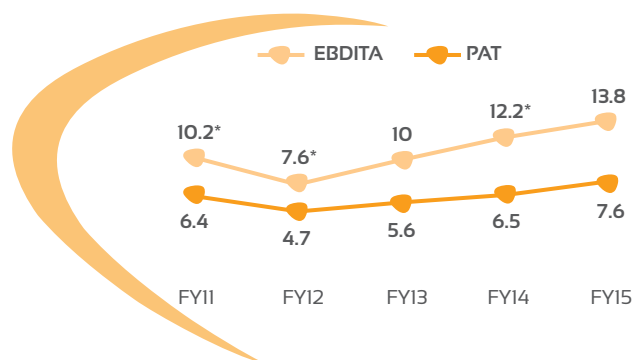
Net Sales (₹ Million)



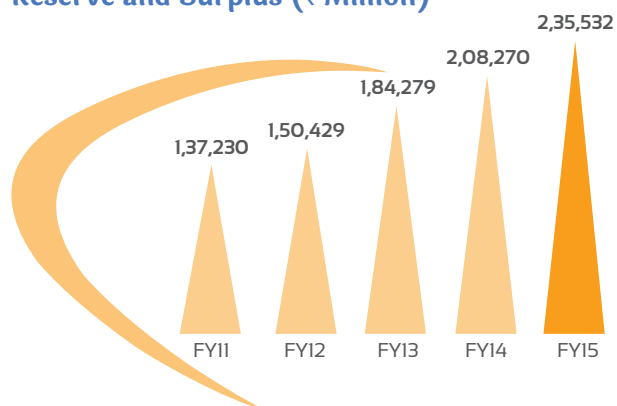
PAT (₹ Million)



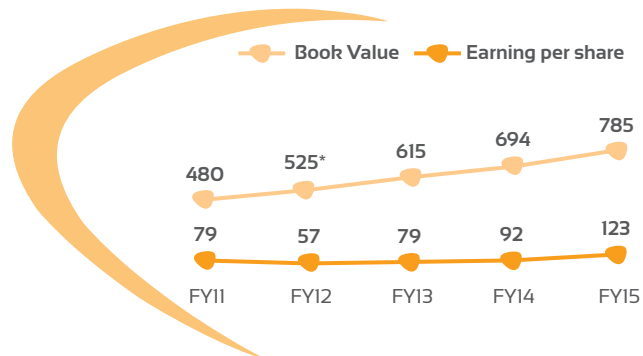
Margins (%)



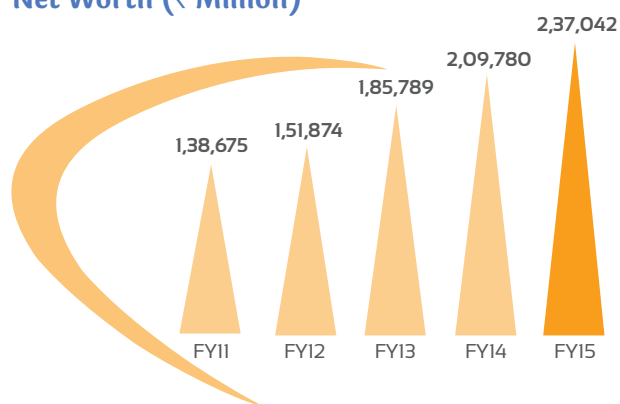
Reserve and Surplus (₹ Million)



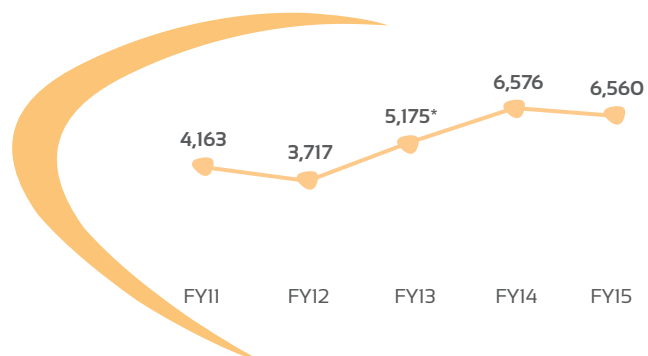
Book Value and Earning per Share (₹ Million)



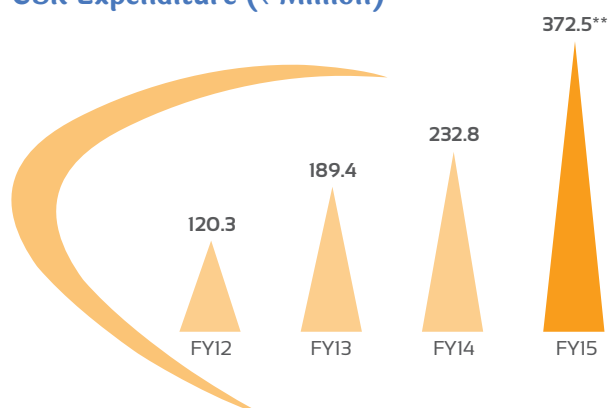
Net Worth (₹ Million)



R&D Expenditure (₹ Million)



CSR Expenditure (₹ Million)



* Restated figures

** Calculated as per CSR Rule under Companies Act 2013

Environmental Performance



1,014 ton of CO₂ offset
Emission reduction through 1 MW solar
power plant



96%
Energy generated from natural gas
based captive power plants



50%
Water was recycled and reused

Disclosure on Management Approach

Maruti Suzuki's initiatives to minimise environmental impacts of products, manufacturing operations and supply chain are guided by its environmental policy. The Environment Management System of the Company is ISO 14001:2004 certified. The Company is also working with its Tier-I suppliers for implementation of ISO 14001 at their end. In order to sensitise suppliers on environment protection, the Company has also issued Green Procurement Guidelines to all its suppliers.

Maruti Suzuki has adopted the basic philosophy of its parent, Suzuki Motor Corporation, of "Smaller, Fewer, Lighter, Shorter and Neater" that help in optimum utilisation of resources. The Company consumes raw materials such as steel, aluminium, other metals and oils in the manufacturing of cars and uses mainly natural gas for electricity generation at its captive power plants. As the Company manufactures cars in large numbers, consumption of materials and energy is a material aspect and various initiatives have been taken to reduce per vehicle consumption of material and energy.

Effluent, waste, water and emissions are also material aspects for the Company as they have potential to impact environment. These parameters are regulated by the guidelines of Ministry of Environment, Forest and Climate Change (MoEF & CC) and Pollution Control Board. The vehicles produced by the Company conform to the Bharat Stage IV norms and European End of Life (ELV) norms.

Maruti Suzuki conducts Aspect-Impact analysis and EIA (Environmental Impact Assessment) to identify and manage potential environmental impacts. The Company avoids adoption of any process, equipment or strategy which can cause environment, health and safety risks. If the risks are inevitable, mitigation plans are prepared and implemented.

Natural gas based captive power plant at Gurgaon facility



The Company has dedicated departments to manage different aspects of environment performance and annual targets for key environmental performance are set in the beginning of the year. The performance against set targets is evaluated periodically and future actions are planned. The management reviews parameters related to environment every month in the Business Review Meetings along with other business parameters.

BASE YEAR REVISION

In order to include new facilities such as Manesar Powertrain Plant and Rohtak R&D facility in reporting and for like-to-like comparison, the base year has been changed from 2000-01 to 2013-14.

MATERIALS

The basic raw materials used by Maruti Suzuki for vehicle manufacturing are non-renewable in nature. Therefore, the Company regularly takes initiatives to reduce material consumption such as "One Gram One Component" weight reduction programme, Yield Improvement and Value Analysis-Value Engineering to reduce per vehicle raw material consumption. Besides weight reduction, the Company also focuses on recycling and reuse of material. The scrap generated in press shop is sent to vendors for manufacturing vehicle child parts. In 2014-15, 28,988 t of steel scrap was used for manufacturing child parts and 62,767 t of Aluminium scrap was melted to create ingots.

In the reporting period, 5,129 kl of petrol, 2,378 kl of diesel, 26 t of LPG and 15,51,859 m³ of natural gas were filled in the vehicles manufactured by the Company.

Materials Used in Manufacturing

Raw materials	Unit	2013-14	2014-15
Paint	kl	8,559*	9,957
Steel coils	t	1,98,646	2,07,319
Ferrous castings	t	31,247	33,791
Non-ferrous castings	t	29,353	32,919

*Paint quantity for 2013-14 has been revised

ENERGY

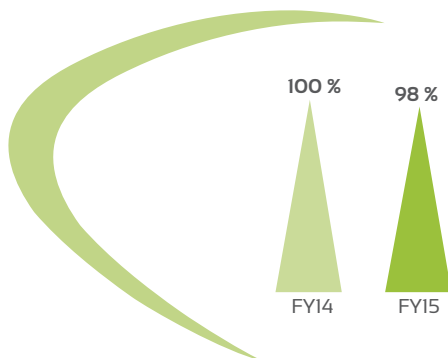
Approximately 96% of the total energy consumed by the Company is generated in-house through natural gas (cleaner fuel) based captive power plants. A small amount of electricity is taken from grid. Solar energy is also harnessed through a 1 MW plant. Back-up generators are used during break-down situations.

Energy Consumption by Type

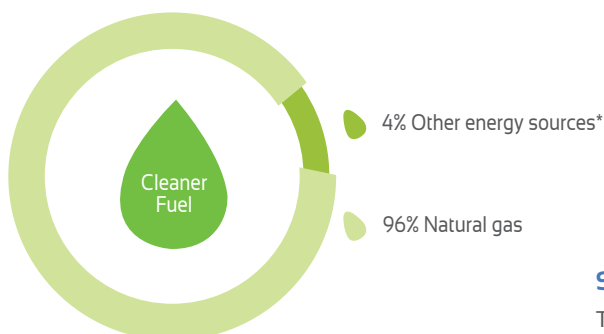
Energy type	Energy source	Unit	2013-14	2014-15
Direct energy	Natural gas	GJ	53,86,574	61,06,698
	Diesel (HSD)	GJ	43,155	88,704
	LPG/propane	GJ	117	22,946
	Gasoline	GJ	30,659	31,936
	Solar	GJ	522	4,750
Indirect energy	Grid electricity	GJ	52,325	1,01,215
Total		GJ	55,13,352	63,56,249

Note: Conversion factor has been taken from GRI G3.1 guidelines

Electricity consumption per vehicle manufactured (%), indexed to base year 2013-14



Energy consumption 2014-15 (%)



*Other energy sources include solar, grid, diesel and gasoline etc.

Energy conservation initiatives

- Use of energy efficient LED lighting in Gurgaon, Manesar and R&D Centre at Rohtak
- Use of energy efficient pumps and motors in water treatment plant in Gurgaon
- Installation of intelligent flow control units to supply air at constant pressure at Gurgaon

Process improvement

- Instead of incinerating waste paint sludge, now it is sent to cement plant for co-processing
- Installation and upgradation of 11 kV capacitor bank for power factor improvement at Gurgaon plant
- Upgradation of power supply distribution panels at shop substation in Gurgaon plant
- Introduction of energy efficient blower in ETP
- Installation of temperature controller in coil cooler fan in all diesel generator sets at Manesar
- Vibration analysis of motors to replace bearings before failure

Water testing in progress at Manesar plant testing lab



Solar power plant at Manesar

The solar power plant of 1 MW capacity, commissioned in 2013-14 at Manesar facility generated 1,319 MWh of electricity in 2014-15. This has reduced emission by 1,014 t of CO₂ equivalent.

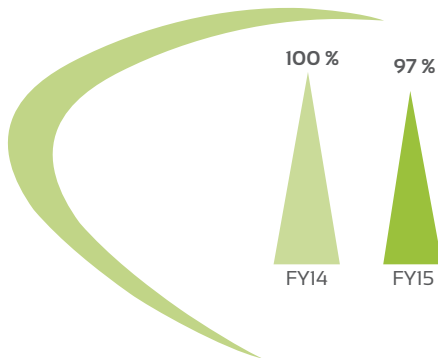
WATER

The primary source of water for the Company is canal water which helps in conserving ground water. The Company is gradually increasing use of canal water and reducing use of ground water. The Company has also created rain water harvesting structure at all its facilities for ground water recharge during rains. Rain water is also collected and used in the facilities.

Water Consumption by Source

Water sources	Unit	2013-14	2014-15
Surface water (canal water)	m ³	19,80,981	23,52,632
Ground water (tube well water)	m ³	62,740	36,071
Rainwater	m ³	3,341	6,871
Total	m ³	20,47,062	23,95,574

Water consumption per vehicle manufactured (%), indexed to base year 2013-14



EFFLUENTS AND WASTE

Maruti Suzuki does not discharge water outside its factory premises. All facilities have zero waste water discharge status. The recycled water from treatment plants (STP/ETP) is used for manufacturing processes, irrigation and cleaning purpose. Similarly, the water reject from RO plant is used for toilet flushing.

Recycled and Reused Water

Water Type	Unit	2013-14	2014-15
Recycled and reused water from treatment plants	m ³	13,79,237	17,51,278
Reuse of RO water reject	m ³	5,18,619	6,14,683

SOLID WASTE

A portion of total waste generated at the Company is hazardous in nature. The waste materials are given to authorised vendors either for disposal or recycling. The Company has been sending paint and phosphate sludge and ETP sludge to the cement industry for co-processing since 2010-II.

Hazardous Waste

Waste type	Unit	2014-15
Hazardous waste	t	9,587
Used oil	kl	566
Hazardous waste sent to cement industry for co-processing	t	7,154

Note: As disclosed to Pollution Control Board

EMISSIONS

In 2014-15, total scope 1 and scope 2 emissions (CO₂) were 3,51,377 t and 21,926 t of CO₂ equivalent respectively. For carbon emission calculation, IPCC 2006 guidelines for National Greenhouse Gas Inventories and User Guide (Version 8.0) of Central Electricity Authority (Ministry of power) have been used. Presently, the Company doesn't calculate its scope 3 emissions.

EMISSIONS OF OZONE DEPLETING SUBSTANCES (ODS)

The substances responsible for ozone depletion are used for refrigerants in limited way in offices and manufactured vehicles. The office areas in the Company have air conditioning, whereas all manufacturing facilities are cooled by air washers; therefore, the use of refrigerant by the Company at its manufacturing facilities is limited. Also, the Company fills environment friendly refrigerant gas R134a in the vehicles manufactured at its facilities.

NOX, SOX, AND OTHER SIGNIFICANT AIR EMISSIONS

The Ambient air quality and stack emission parameters (SOx, NOx, and SPM etc.) are monitored as per prescribed government norms by government approved external agency. The monitored values were well within the prescribed limits of the Pollution Control Board in 2014-15.

MITIGATION OF ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES

Over the past decade, Maruti Suzuki has continued to enhance product design for optimisation of material consumption and vehicle emissions reduction.

Effluent treatment plant at Manesar facility



PRODUCTS

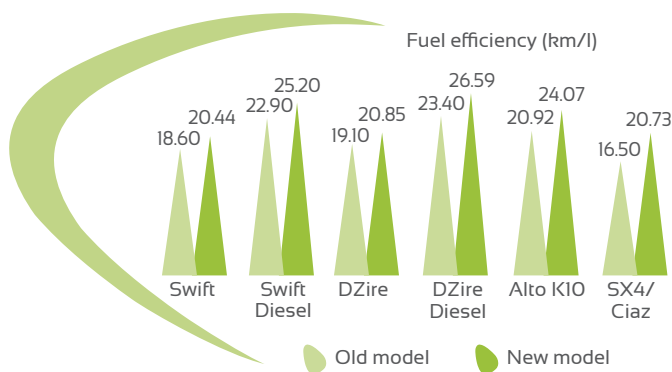
Fuel efficiency

Fuel efficiency has been one of the trademarks of Maruti Suzuki vehicles. The three most fuel efficient cars in India are from Maruti Suzuki stable (Celerio, DZire and Ciaz). In 2014-15, the Company launched refreshed version of Swift, DZire, Alto K10 and all new Ciaz with superior and best in class fuel efficiency.

Fuel efficiency improvement initiatives taken in the new models include-

- Improvement in thermal efficiency and engine calibration
- Optimisation of transmission gear ratios for better drive and fuel efficiency
- Improvement in aerodynamic design and weight reduction
- Making the combustion chamber compact
- Improvement in compression ratio on gasoline engine
- Introduction of new generation alternator management to optimise battery charging

Fuel efficiency improvement in new models introduced in 2014-15

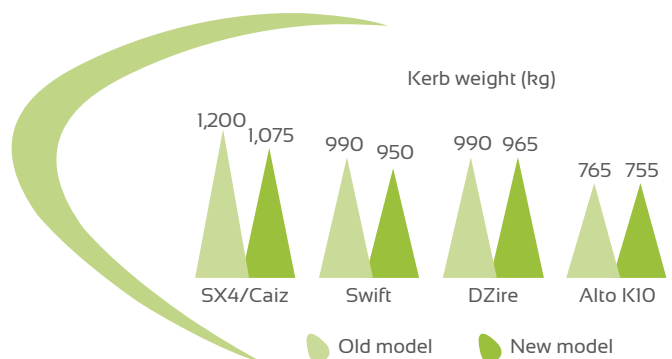


Weight reduction

The weight reduction initiatives of the Company have led to substantial kerb weight reduction in new and existing models of the vehicles. Some of the important weight reduction initiatives include-

- Thickness optimisation and increased usage of high tensile steel
- Use of light weight compact brake system, latches and regulators
- Replacement of metal parts with plastics parts
- Introduction of light weight technologies in HVAC system and light weight wires
- Introduction of technologies like lightweight and high efficiency alternators
- Weight reduction in steering and audio systems
- Using variable thickness in bumpers
- Redesigning and optimisation of seat part thickness

Weight reduction in different models

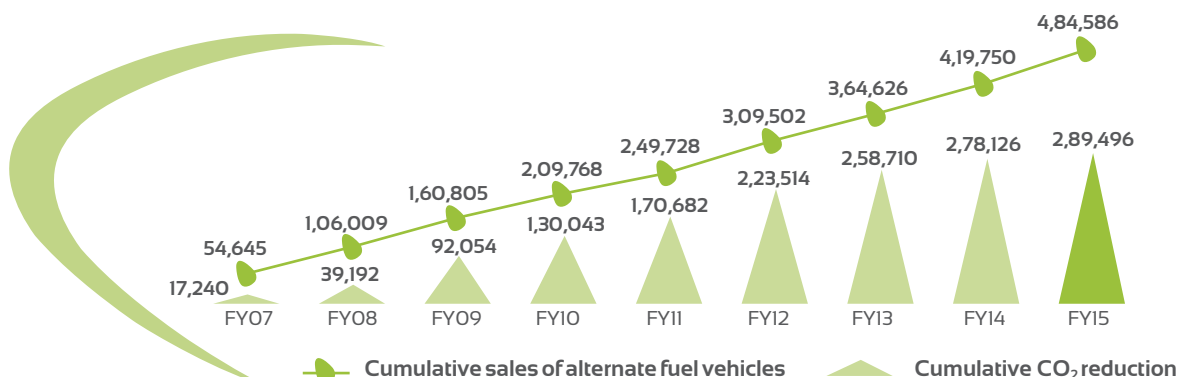


Alternate fuel technology

Maruti Suzuki was the first Company to introduce factory fitted CNG cars in India in 2006. Presently, the Company offers six dual fuel (CNG and petrol) models namely Alto, Alto K10, Celerio, Wagon R, Eeco and Ertiga. Powered by the acclaimed Intelligent Gas Port Injection (i-GPI) technology, Maruti Suzuki's CNG vehicles deliver the advantage of best in class fuel efficiency, besides safety, reliability and performance.

The Company has sold over 4.8 lakh vehicles since the launch of iGPI technology in 2010 which have offset around 2.9 lakh t of CO₂ cumulatively till 31st March, 2015.

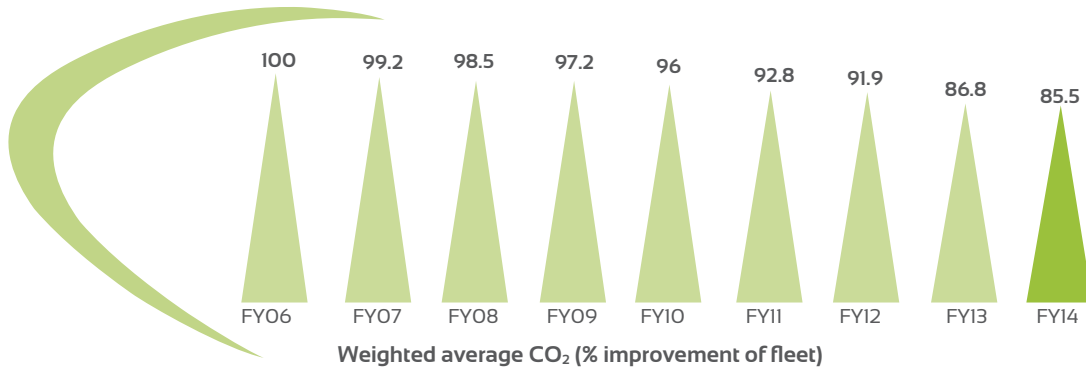
Total cumulative CO₂ reduction (t)



CO₂ emission reduction

Maruti Suzuki has been successful in bringing down the weighted average of CO₂ emission by over 14 % from the base year 2005-06. This has been possible because of fuel efficiency improvements, reduction of exhaust emissions and development of alternate fuel products.

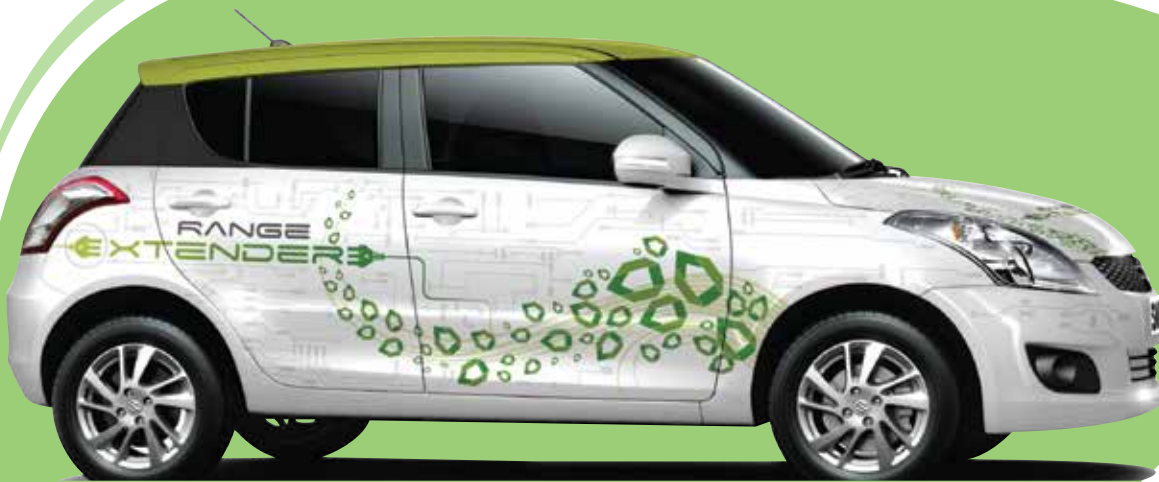
Weighted average CO₂ percentage improvement with respect to base year 2005-06



Future sustainable technologies: Swift Range Extender

Maruti Suzuki is working on future technologies under the National Electric Mobility Mission Plan 2020 (NEMMP) and it has demonstrated Swift Range Extender (RE-EV). Swift RE-EV is an electric vehicle with an engine driven generator. The vehicle functions like a pure Battery Electric Vehicle (BEV) for customers who commute short distances. Once the battery power is

depleted, On-Board IC engine starts functioning and runs the generator for supplying power to the electric motor, thereby eliminating the “range anxiety” issue generally associated with BEVs. The vehicle can be charged at home from a household power outlet. While the Company has no immediate plans to manufacture and sell this in India, it showcases the capabilities that the Company is developing with SMC.



Key features

- 660cc IC engine + Electric motor
- EV Range : 25.5 km
- Combined fuel efficiency : 48.2 km/l



Technicians busy repairing flood affected vehicles at service station in Jammu & Kashmir

SERVICE

Service Workshops

Maruti Suzuki has been consistently working with its dealers for improving environmental performance of service workshops. Some of the initiatives undertaken to make service workshops environment friendly are summarised in the table below.

The customers' feedback is taken through telephonic surveys and e-feedback cards to reduce the usage of paper. The Company has a well-established process to capture real time

feedback from customers through Interactive Feedback System (Kiosk) placed at the reception.

Maruti Suzuki has developed CD-ROM based service manuals for its service network. For new models, both options (paper and CD-ROM) are available at the service workshops. The Company is targeting to provide only CD-ROM based service manuals to service workshops.

S.no.	Initiative	Detail	Workshops covered	
			2013-14	2014-15
1	Automated oil management system	The system helps in minimising oil spillage in workshops. It reduces time and effort required to issue oil which improves overall productivity of workshops. It facilitates good monitoring and identification of oil wastages and its control.	567	595
2	Paint-less dent repair system	The minor dents repaired through paint-less dent repair system does not involve stripping of paint which makes the process environment friendly, faster and cost effective.	323	340
3	Automatic car washing system	The Company has introduced automatic car washing and underbody car washing systems in workshops which delivers better washing quality, faster washing of vehicles and consumes 20% lesser water.	245	610
4	Dry wash systems	It replaces final water wash process with a special dry chemical wash. Dry wash system has reduced total wash time, improved final wash quality and has reduced water consumption by around five crore litres per annum across the service network.	373	488
5	Paper consumption reduction in service operations	Maruti Suzuki has focused on extensive usage of tablets during interaction with the customers. Job cards are now opened in DMS (Dealer Management System) integrated with tablets, thus reducing paper consumption.	616	1,325*

* Till June, 2015

TRANSPORTATION AND GREEN SUPPLY CHAIN

The Company had a supplier base of 393 direct local component suppliers on 31st March, 2015. Nearly 86% of the supplier base by value is located within 100 km radius of the Company. High network complexity makes Maruti Suzuki's supply chain vulnerable to various risks such as labour issues, non-availability of skilled manpower, fire, volatile market and unpredictable events in various parts of the world. Thus, the Company has developed a structured approach to assess risks arising from major suppliers in order to plan actions proactively and mitigate negative impacts.

The company has shifted the operation of containers from Nhava Sheva to Pipavav port. Also, the focus has been shifted from road to rail for transportation of components from port. In 2014-15, 95% of container transportation was done through rail. This has resulted in fuel saving and emission reduction.

Some of the new initiatives taken up by the Company with its suppliers in 2014-15 include-

Material consumption and emission reduction

With a focus to reduce material consumption, emissions, cost, fuel saving and lesser pollution during transportation, the company has made the following improvements-

- System improvement to enable phosphate consumption reduction during painting process. This has resulted in phosphate consumption reduction by 15% and sludge generation reduction by 22%
- Introduction of high solid paint to reduce per vehicle paint consumption and VOC (Volatile Organic Compound) emission
- Change in transmission oil from semi synthetic oil to synthetic oil resulted in the increase in oil drain interval, fuel economy and less consumption

End of life of vehicles (ELV)- ahead of regulation

Although India is yet to have regulations in this area, ELV norms require the vehicle to be free from hazardous substances like Lead, Cadmium, Mercury and Hexavalent Chromium. All existing models of Maruti Suzuki comply with ELV norms of Europe. Omni and Gypsy got ELV compliance in 2015-16.

Green Procurement Guidelines

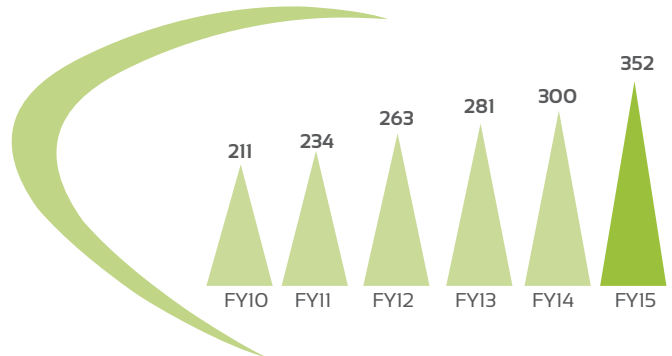
The guidelines issued in 2013-14, require tier-I suppliers to submit a signed Green Procurement Agreement, environment compliance status sheet and a copy of ISO 14001 certificate to the Company. So far, all tier-I suppliers have submitted signed Green Procurement Agreement to the Company.

Vehicle assembly in Manesar plant



Maruti Suzuki has been working closely with tier-I component suppliers to encourage and support them in ISO 14001 certification. As on 31st March, 2015, almost 80% of the local component suppliers' plants were ISO 14001 certified.

ISO 14001 certification status of supplier plants



Yield improvement activities

The Company has been working on conservation of critical resources like traditional metal sheets, plastics, electrical and casting etc. The Company encourages vendors to participate in yield improvement activities and does hand holding to achieve desired results.

Vendor participation in yield improvement activities



ENVIRONMENTAL GRIEVANCE MECHANISMS

The Company records the concerns and suggestions of neighbouring communities regarding impacts of the Company's operations. "Neighbourhood Concern Forms" are circulated in the nearby communities. The collected responses are discussed and their correctness is checked. Further, the concerns and suggestions are reported to the management and mitigation plans are proposed. Based on the feasibility and suitability, the best plan is selected and the responsibility is assigned to the concerned department for execution.

COMPLIANCE

The Company has an online legal management system through which it tracks all legal compliances. The legal compliances are reviewed by the Board on a quarterly basis. There were no significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations in 2014-15.

Social Performance



60%

Increase in CSR expenditure
(₹ 372.5 Million)



Nirmal Gram

Maruti Suzuki supported village
"Bass Hariya-Aliyar", Manesar
was declared Nirmal Gram



7000

People from Tribal community
were trained in Institute of
Driving and Traffic Research
(IDTR), Gujarat



27

ITIs

Supported by Maruti Suzuki in
8 states benefited over 10,000
students



No. 1

Position

In JD Power Asia Pacific
Customer Satisfaction Index
(CSI) Survey for the 15th year
in a row



Disclosure on Management Approach

Maruti Suzuki is committed to provide a conducive and healthy environment to its employees so that they feel motivated to work for the growth and sustainability of the Company and its various stakeholders.

In 2014-15, the Company reviewed and modified various HR policies to build a competent, motivated and passionate workforce. Considering the outcome of the employee engagement surveys and the present business context, the career progression policy was revised. A new division was created to give impetus to people development through training and skill building.

Maruti Suzuki upholds the Human Rights principles of non-discrimination and freedom of association. The Company is committed to diversification of talent and non-discrimination on grounds of race, colour, religion, caste or any other factor.

Ethical business practices and compliance to Code of Conduct was given high importance during the year. 13 workshops were conducted covering over 320 senior level employees who were trained on business ethics and code of conduct.

The social welfare programmes for the benefit of the local community and society at large were scaled up substantially during the year and aligned with the requirements of the Companies Act 2013. A new CSR policy was approved by the CSR Committee and the Board. The CSR interventions of the Company are primarily in the areas of community development, skill development and road safety.

The progress on CSR projects approved by the Board was reviewed every month. High focus was given on hiring competent and experienced resources to implement social projects. Existing social projects were reviewed and new projects were designed to deliver desired impacts. The CSR spend was audited by the statutory auditors of the Company. The CSR spend of the Company was 60% more in 2014-15 than that of previous year and it was 1.49 % of the average net profit of the last three years.

Supply chain has an important role to play in our overall business and we invest in multiple ways to strengthen the relationships with our suppliers. Human Resource practices and safety at suppliers end have become a key focus area for the Company. Anti-child labour and anti-sexual harassment clauses are included as necessary conditions in the procurement agreements with our suppliers.

The Company strives to delight customers with the latest technology and high quality products. The Company regularly expands and upgrades its sales and service network to scale new peaks in customer satisfaction. Customer feedback is collected in a systematic manner through various channels and used by R&D engineers of the Company to improve product quality, fuel efficiency, safety and comfort features for passengers.

Recreational activity area for employees at Gurgaon plant



Common canteen for all employees

Employment

Over 22,000 employees work at Maruti Suzuki with discipline, commitment and as a team to take the Company to the next level of business excellence.



Manpower Break-up

Manpower category		2012-13	2013-14	2014-15
1	Regular manpower			
	a) AE (Assistant Engineer) & above	4,648	5,878	6,617
	b) Associates/Technicians	3,029	5,222	5,354
	c) Trainees (includes CTs, JETs, GETs)	1,744	1,447	814
	Total regular manpower (a+b+c)	9,421	12,547	12,785
2	Apprentice	936	1,099	1,164
3	Contractual/ temporary workers	8,554	6,578	8,527
	Total manpower	18,911	20,224	22,476

CT : Company Trainee

JET : Junior Engineer Trainee

GET : Graduate Engineer Trainee

Level Wise, Gender Wise Break up of Regular Manpower (2014-15)

Manpower category		Female	Male	Total
Regular manpower				
a)	Assistant Engineers and above	322	6,295	6,617
b)	Associates/ Technicians	19	5,335	5,354
c)	Trainees	21	793	814
Total regular manpower (a+b+c)		362	12,423	12,785

Attrition by Age, Gender and Level (2014-15)

Category		Upto 30 years	30-50 Years	50 Years & above	Grand Total	Attrition %age
Female	Assistant Engineers and above	30	5	0	35	11.3%
	Associates	0	0	0		0.0%
	Trainees	2	0	0	2	5.9%
	Sub Total I	32	5	0	37	10.2%
Male	Assistant Engineers and above	255	93	1	349	6.0%
	Associates	6	1	1	8	0.2%
	Trainees	14	0	0	14	1.3%
	Sub Total II	275	94	2	371	3.0%
Total		307	99	2	408	3.2%

Percentage of Female Employees in Regular Manpower

Category	2012-13	2013-14	2014-15
Total regular manpower	9,421	12,547	12,785
Male	9,091	12,181	12,423
Female	330	366	362
Percentage of female employees	3.5%	2.9%	2.83%

New Hires (Regular Manpower) by Level, Gender and Age (2014-15)

Category		Age			Total
		Upto 30 years	30-50 years	Above 50 years	
Male	Associate Engineer and above	204	43	0	247
	Associates/ Technicians	2	0	0	2
	Trainees	445	21	0	466
	Total	651	64	0	715
Female	Associate Engineer and above	15	1	0	16
	Associates/ Technicians	0	0	0	0
	Trainees	20	0	0	20
	Total	35	1	0	36
Grand total		686	65	0	751

Resignation in New Hires (2014-15)

Category	Female	Male
New employees hired	36	715
New employees resignations	1	1

Benefits Provided to Employees

Regular employees	Contractual employees
Meals at subsidised rates	Meals free of cost
Employees and dependent children/ parents covered under the Company's Hospitalisation Policy	Employees covered under Government's ESIC scheme.
Medical Centre within the factory premise for first aid and referrals to panel hospitals	Regular health check-ups in Medical Centres within the factory premises
Life insurance cover	Life insurance cover
Benefits for apprentice are as per Apprenticeship Act. Disability and invalidity coverage for regular employees is as per Employee Compensation Act, whereas contractual/ temporary workers are covered under ESIC.	

PARENTAL LEAVE

All regular female employees are entitled for maternity leave. The maternity benefits provided by the Company are better than those mandated under Maternity Benefit Act, 1961.

All those who took maternity leave are still with the Company. Out of total number of women on maternity leave, one has completed 12 months of service as on 31st March 2015.

Maternity Leave and Return to Work (2014-15)

S. no.	Maternity leave	Number of employees
1	Employees on maternity leave	31
2	Returned to work	-
	(a) Returned to work after maternity leave	16
	(b) Employees who have not completed maternity leaves	12
	(c) On extended leave (after completion of maternity leave)	3

OPERATIONAL CHANGES

At Maruti Suzuki, practice laid down as per Statute (as per section 9 (a) of the Industrial Dispute (ID) Act 1947) is followed with regard to operational changes. For any change in the condition of service of workman, prior notice of 21 days is mandatory. The notice period and provisions for consultation and negotiation is not a part of collective bargaining agreement.

Creche facility in Gurgaon plant for employees' kids

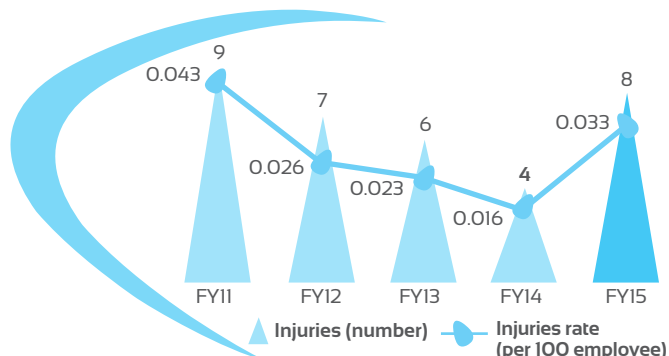


Occupational Health and Safety

Maruti Suzuki has an apex safety committee which has been constituted as per the guideline of the Factories Act 1948 (India) comprising an equal number of workers and management representatives. The tenure of the safety committee is two years and it meets on a quarterly basis.

During the reporting year, there was no fatality due to accident within the Company boundaries. In the year 2014-15, no female employee was injured. There was no significant occupational disease reported to the Health Centers in 2014-15.

Injury and Injury Rate

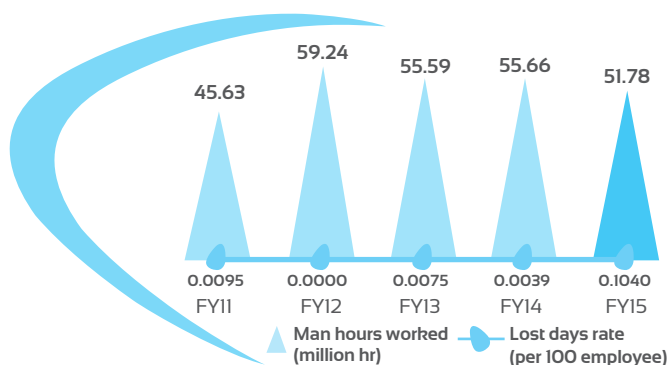


The Company has taken significant steps for enhancing safety standards in all facilities. In the organisational structure, safety has been established as a separate division which reports directly to Joint Managing Director. Further, the Company audited all its facilities for fire safety. The audit report has suggested improvements which are being implemented. Also, to develop safety as a culture within the organisation, the Company organises safety training, awareness and mock drills on periodic basis.



Employees taking fire hydrant safety training

Accident and Lost Days Rate



Maruti Suzuki organises medical awareness surveillance programmes throughout the year. Regular medical camps and interactive health awareness sessions are organised by the Company in which doctors from reputed hospitals educate the employees. The Company conducts free medical check-up for all regular employees aged 25 years and above. The Company's medical policy covers all levels of regular employees.

The Company has five Occupational Health Centres located at its facilities which provide 24X7 services. The Health Centres are run by full-time qualified medical officers. The Company's manufacturing operations include some hazardous processes wherein sufficient preventive measures have been adopted to protect employees. Medical surveillance programmes are conducted in hazardous process areas periodically for early detection of occupational diseases.



Safety official providing fire safety training to new recruits

Training and Education

The Company strives to cover all employees under training programmes. Training reach for the year 2014-15 has been 81.2% of the total regular employees of the Company.

Category Wise Training Achievement (Mandays per Employee) for 2014-15

	Male	Female	Overall
Assistant managers & above (including GETs)	3.82	4.41	3.86
Supervisors and above (including JETs)	4.36	4.15	4.36
Associates	2.93	2.25	2.93
Overall	3.53		



Maruti Suzuki Training Academy

Training Academy was set-up with an aim to provide quality technical training for a large pool of own employees and employees of business partners. In 2014-15, the Academy organised for the first time the World Skills India Competition – the largest skills event held every two years. This event provided an opportunity to the young professionals to showcase and brush up their skills. In 2014-15, Training Academy also hosted the national rounds for two skill categories including Auto Body Repair and Car Painting at Gurgaon plant.

In a significant development, the Academy reached all Area Offices, Regional Training Centres, Regional Offices and the Company adopted Industrial Training Institutes (ITIs) through Virtual Classroom (Web Studio) in 2014-15. The Finishing School in the Academy provides experiential learning through simulated and hands on experience by industry trained faculty to all the participants.

Lifelong learning and continued employment: Maruti Center for Excellence (MACE)

Established in year 2004 in collaboration with 21 suppliers. The activities of MACE include providing training and consultancy to the suppliers (Tier-I & Tier-II) and its sales network to achieve world class standards in quality, cost, service and technology orientation.

MACE also conducts system audits of suppliers and quality audits of dealers and Maruti Authorised Service Station (MASS) workshops.

In year 2014-15, 7800 persons were trained by MACE in 298 training sessions. MACE was able to cover 282 suppliers (Tier-I and Tier-II) of the Company in these training programmes.

As a new initiative, MACE has started working on the following:

1. ZED (Zero Defect Zero Effect) programmes of the central government and has started supporting the cluster activities in Northern India.
2. In order to improve safety culture in the Indian industry, it has started carrying out Safety Assessment at the Tier-I & Tier-II suppliers of the Company and has started delivering training programmes on Industrial Safety.

Performance and career development reviews

All regular employees undergo a KRA setting exercise in the beginning of the year followed by mid-year and annual appraisal.

All regular employees are eligible to undergo performance reviews. It ensures that the assessment of the employees is done by identifying the gaps and supporting them to progress accordingly. This helps in the overall growth and optimisation of personnel through periodic appraisals.

Promotions and revisions in salary and remuneration are based on performance assessment and merit of the individual. For managerial cadre, Maruti Suzuki provides differential growth for its fast and normal track employees. Based on employee feedback and to address the career aspirations of employees, the Company has revised Career Progression Policy in 2014-15.



New employees undergoing training at Maruti Suzuki Training Academy

Human Rights

DIVERSITY AND EQUAL OPPORTUNITY, NON-DISCRIMINATION

Maruti Suzuki gives equal weightage to candidates from across the country at the time of hiring of new talent in skilled, semiskilled, unskilled and apprentice categories. The recruitment process and decisions are governed by meritocracy, offering an equal opportunity without any discrimination on the basis of gender, religion, or caste.

No discrimination is made on the basis of gender with regard to basic salary and remuneration. New employees are offered salaries in line with the skill, merit, qualification, experience and peer level compensation. The Company has one woman director (non-executive) on the Board.

The Company has instituted a policy to ensure non-discrimination of employees infected or affected by HIV/AIDS and offers support to such employees. This policy applies to all employees and contract workers, and covers all aspects of formal and informal work. No substantiated or unresolved incidence of discrimination was reported in 2014-15.

ANTI-SEXUAL HARASSMENT

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) redresses complaints received regarding sexual harassment. In 2014-15, one complaint was received by the ICC and the same was disposed off.

CHILD LABOUR AND FORCED LABOUR

Maruti Suzuki has formulated an Anti-Forced and Child Labour Policy wherein the minimum age for recruitment is 18 years for all categories of employees. No incidence of child labour or of forced and compulsory labour was reported in any of the Company's units in 2014-15.

Equal opportunity and diversity: women employee working on engineering project

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The Company has internal and independent labour unions at its plants and union elections are held as per the statutory requirements.

All major policy changes affecting workers are discussed with union representatives and their suggestions incorporated after being examined for feasibility as per statutory requirements. Such changes are communicated to all the workers directly and through union representatives. All associates/regular workmen are covered under collective bargaining.

LABOUR PRACTICES GRIEVANCE MECHANISMS

There were no grievances on labour practices filed through formal grievance mechanisms during the reporting period.

CODE OF CONDUCT AND BUSINESS ETHICS, ANTI-CORRUPTION

Code of Conduct and Ethics at Maruti Suzuki elaborates that the Company stands against violation of human rights, child labour or violation of indigenous rights and sexual harassment.

The Company has a well-established system in place to ensure implementation and compliance to the Company's policies, standards and protocols. Values and Ethics are communicated to all employees through newsletters and notice boards. The Company believes that Human Rights support in maintaining a healthy and functional workforce. In 2014-15, 13 workshops were conducted on Code of Conduct and Business Ethics for over 320 senior level employees.

The Code of Conduct for the senior management personnel is applicable to the directors of the Company, the top management and all functional heads. It is signed by the senior management personnel every year. The Code of Conduct is available on the Company's website and internal portal.

The Code of Conduct for employees is applicable to all employees over the level of assistant supervisor and above category. All employees sign Code of Conduct at the time of joining. The workmen are governed by the Certified Standing Order under the Industrial Employment (Standing Order) Act, 1946.



Corporate Social Responsibility



Senior management engaging with community leaders



Corporate Social Responsibility has been an integral part of Maruti Suzuki's activities since its inception. The Company strives to assess its operations and products that might impact environment or society and takes measures to minimise such impacts.

The social welfare programmes for the benefit of the local community and society at large were scaled up substantially during the year and aligned with the requirements of the Companies Act 2013. A new CSR policy was approved by the CSR Committee and the Board. The CSR interventions of the Company are primarily in the areas of Community Development, Skill Development and Road Safety.

The Company has set up separate teams having required experience and competencies to implement social projects. The CSR teams are duly supported by the Company's civil, HR and vigilance departments at all locations. The performance against the annual targets for each project is reviewed every month in a structured manner.

The Company has forged partnerships with the Government, business partners, not-for-profit organisations to scale up and create a multiplier effect of its social initiatives.

S. no.	CSR project / activity identified	Sector in which the project is covered	Projects /programmes 1. Local area/others 2. Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) project/ programmes wise	Amount spent on the project / programmes 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 Studies, Household toilets, Sewer Lines, Bore wells, Rainwater harvesting, Village Waste Collection & Disposal etc.	Sanitation and Safe Drinking Water	1. Local 2. Gurgaon and Rohtak Districts (Haryana), Ahmedabad District (Gujarat)	8.50	5.97	0.09	6.06	Direct
2	Rural Development Projects: Creating & Maintaining Common Community Assets	Rural Development Projects	1. Local 2. Gurgaon district (Haryana)	2.00	2.09	0.05	2.14	Direct
3	Education							
3(A)	(a) Upgradation of Government School Infrastructure: Construction of Toilets, Water Tanks, Boundary Walls, Building Repair, Electrical Work, Fabrication (Doors, Windows, Gates etc.), Horticulture etc. (b) Improvement in Learning Levels: Providing Supplementary Teachers, Academic Excellence Awards, Stationary items, Teaching Aids etc.	Promoting Education	1. Local 2. Gurgaon and Rohtak Districts (Haryana), Ahmedabad District (Gujarat)	7.00	6.10	0.08	6.18	Direct
3(B)	Scholarships to underprivileged children pursuing technical courses from Government Industrial Training Institutes (ITI), Polytechnic and Engineering institutes	Promoting Education	1. Local 2. Gurgaon and Rohtak Districts (Haryana)	0.70	0.22	0.00	0.22	Direct
Skill Development								
1	Skill enhancement in Automobile Trade at Industrial Training Institutes (ITI)	Employment Enhancing Vocational Skills	Pan India	5.00	4.34	0.00	4.34	Direct
2	Upgradation of Government Vocational and Technical Training Institutes: Training & Capacity Building of Teachers, Add-on courses, Industry Exposure for Students, Repair & Maintenance of Workshops, Teaching Aids etc.	Employment Enhancing Vocational Skills	Pan India	2.60	1.23	0.11	1.34	Direct
Road Safety								
1	Promoting Road Safety through Driving Skills Training and Infrastructure Development: Driving Training & Skill enhancement for underprivileged youth, women and commercial vehicle drivers, Supporting Traffic Police	Promoting Education, Vocational Skills	Pan India	13.76	9.79	0.22	10.01	Direct
2	Promoting Road Safety through Awareness Campaigns	Promoting Education	Pan India	3.40	4.21	0.00	4.21	Direct
Total (A)							34.5	
Others								
Contribution to Prime Minister's National Relief Fund				-	1.03	-	1.03	
Total (B)							35.53	

S. no.	CSR project / activity identified	Sector in which the project is covered	Projects / programmes 1. Local area/others 2. Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) project/ programmes wise	Amount spent on the project / programmes Subheads:		Cumulative spend up to the reporting period	Amount spent: Direct /through implementing agency*
					1. Direct expenditure on project,	2. Overheads		
					Direct	Overhead*		
CSR Administrative Overheads								
	Common Administrative Overheads (Salary of CSR staff and expenditure on training and capacity building) (C)						4.01	
	Total (D: B+C)						39.54	
	Common Administrative Overheads*** (E)						1.72	
	Grand Total (B+E)			42.96	34.98	2.24	37.25	

* 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

*** Although Administrative overheads incurred in 2014-15 were ₹ 4.01 crore, MSIL has only included a spend of 5% of consolidated CSR project expenditure (i.e. 5% of ₹ 35.5 crore) in the CSR spend for 2014-15 in line with CSR Rules, 2014

CSR Spend

Maruti Suzuki was able to increase its CSR spend in 2014-15 by 60%. The Company has spent ₹ 37.25 crore in 2014-15, which is 1.49% of the average net profit of the last three financial years. The Company had spent ₹ 23.2 crore on CSR in 2013-14.

The 2% of average net profit of the Company for the last three financial years (2011-12, 2012-13 and 2013-14) calculated in accordance with the provisions of the section 198 comes to ₹ 50.11 crore. The unspent amount of ₹ 12.86 crore from ₹ 50.11 crore has been carried forward and parked in a CSR fund created by the Company for CSR activities.

The shortfall in the CSR spend from the required 2% was primarily due to the following reasons:

- The Company undertook new projects in areas which were relevant for stakeholders but in which the Company had no prior expertise. In ensuring that the projects were implemented as per standard, the Company faced design and execution challenges that were not anticipated.
- To scale up its existing programmes, the Company needed to recruit people and build capacity at a fast pace.

The Company expects to further improve efficiency in execution and design new projects in line with its CSR Policy, in 2015-16. This is likely to lead to enhanced CSR spend in the near future.

COMPLIANCE

There were no significant incidences and fines for non-compliance with laws and regulations in 2014-15.



School students participating in Gurgaon Road Safety Mega Festival organised in partnership with Gurgaon Traffic Police



Distribution of school bags at Hansalpur village school in Gujarat

Community Development

Maruti Suzuki believes that having prosperous and content communities around manufacturing facilities is important for the Company's long term sustainability. While industrialisation benefits local communities economically, large scale migration of labour and vehicle movement around industries create pressure on the local infrastructure. Through social interventions, the Company is supporting village panchayats (elected bodies) and the Government in enhancing the infrastructure facilities so as to improve quality of life in villages.

The Company is working in 16 villages across Gurgaon, Manesar and Rohtak locations in Haryana and Gujarat. In 2014-15, community development work was initiated in Hansalpur location in Gujarat as well. The main areas of interventions include water and sanitation, education and rural development projects.

Water and sanitation

The key water & sanitation initiatives undertaken in 2014-15 include:

- Laying of sewer lines in 2 villages: To improve sanitation condition of the villages and to ensure proper liquid waste management, over 6.5 km sewer lines were laid in two villages of Manesar. The sewer line system has been designed considering the population growth in the village for the next 30 years.
- Individual Household Toilets: 106 Individual Household Toilets were constructed in the villages across Manesar, Rohtak and Ahmedabad with an objective to make villages Open Defecation Free. In 2014-15, 3 villages of Manesar were made Open Defecation Free.
- Solid Waste Management: A team of 40 sweepers is deployed in 10 villages of Manesar for cleaning of streets, collection and disposal of solid waste.



Laying of sewer line in Bass Hariya village, Manesar



Waste Collection Van collecting garbage from residents in Village



Ishwar Singh, Sarpanch, Bass Hariya Village receiving Nirmal Gram Award

In 2014-15, one of the Maruti Suzuki supported village in Manesar "Bass Hariya-Aliyar" was declared Nirmal Gram by the Government of India. Bass Hariya village was one of the 5 villages in the entire Gurgaon district chosen for this prestigious award.

With the efforts of Maruti Suzuki, the condition of entire village has improved. Besides providing sanitation infrastructure the Company is also educating us on maintaining cleanliness and hygiene.

Ishwar Singh, Bass Hariya village, Sarpanch, Manesar



Krishna with her daughters, Manesar Village

Voice of Beneficiaries

The smiling self effacing Krishna is a hard working woman. Living on a meagre erratic income earned by her husband as a daily wage worker she has brought up her four daughters and son without complaining or lamenting her destiny. All children go to school and like their mother, make do with whatever is offered to them. They also never complained about trudging the long one kilometre stretch to a lone hillock situated on the outskirts of their village. With increasing construction activity in the village, there are no open fields left where they earlier defecated, forcing them to search for safer and more secluded areas, which are now further away. Going at odd hours, especially after dusk becomes a challenge, more so since Krishna insists that the women in the family must always go in two's. Minor skirmishes would be common when a sibling would refuse to accompany the one wanting to attend nature's call because going to the hillock easily meant an hour's time being allocated to the task. School work suffered and so did house work.

“

With construction activity peaking, open fields have all but vanished. There is no place to defecate in the open. The poor labour and potter community have no money to construct a household toilet. No one bothers about them. Maruti Suzuki's efforts to identify these households and to give them good quality toilets is laudable.

Ajit Singh, District Counsellor, Manesar

Choudhary Dharmveer, sarpanch of the village along with Ajit Singh, who is the District Counsellor have for decades served the people trying to draw them out of the quagmire of poverty and poorly paid vocations. Most of the Harijans in the basti belong to the kumhar (potter) community. Manesar village Harijan basti, many are sweepers and construction labour. They barely manage to make ends meet. Living in concrete homes which are usually one or two tiny bedrooms with an open courtyard wherein one corner is a cooking area and in the other a make shift bathing zone with a tap and a curtain fitted to ensure semi privacy, life has been like this for decades with little or no chance of changing.

Maruti Suzuki 's entry into the community was initially regarded with trepidation. The illiterate older lot felt it was another election gimmick by the local politicians. But when they saw that the Company was sincere about first getting an estimate of the number of households that did not have a toilet and were too poor to construct one on their own, they decided to provide all necessary support. Today, nearly 50 households have been gifted a brand new acquisition and one they are extremely proud of owning – a toilet which has an Indian design and is completed with 2-3 steps that allow you to reach the raised platform, have a sturdy door that safeguards and high tiled interior walls that look attractive and add to the functionality. The Company has partnered with Sulabh International and together they have customised a design that is suited to the community's needs.

BEFORE



AFTER



Community Development

EDUCATION

Education is the most powerful tool for social and economic transformation. Therefore, the Company is focusing on upgradation of physical infrastructure of schools, improvement in learning levels and all round development of students.



An additional teacher provided by Maruti Suzuki teaching in Government Middle School, Bass Khusla, Manesar



Sports coach with volleyball team, provided by Maruti Suzuki



Revamped school after infrastructure developed by Maruti Suzuki

Upgradation of School Infrastructure: The school upgradation programme involves construction of separate toilet blocks for girls and boys with a provision for physically challenged students, construction of drinking water tanks, providing safe electrical fittings, furniture for students and teachers, horticulture work, rain water harvesting, repair of boundary wall, main gate etc.

The Company has upgraded 8 schools in 2014-15. So far 14 Government schools have been upgraded in Haryana. The Company has constructed 24 toilet blocks in 12 schools and also makes efforts to maintain and keep these toilets clean.

Learning Level Improvement : The Company provides teachers and sports coach for improvements in learning levels and all round development of students and also instituted Academic Excellence Awards and Scholarships.

Academic Excellence Award: This award is given to the meritorious students of Maruti Suzuki supported schools who score top three positions in 10th and 12th board exams. The award includes a trophy and cash prize. In 2014-15, Academic Excellence Award was given to 49 students of Government schools.

Students from neighbouring villages want to join our school because of quality infrastructure created by Maruti Suzuki. The attendance of students and their motivation level have improved significantly. There should be more such corporate interventions.

Usha Rani, Principal, Government Senior Secondary School, Sarhaul, Gurgaon



A school topper with Academic Excellence Award

Scholarships: Scholarship programme has been designed to encourage economically disadvantaged village youth to pursue job oriented technical courses at ITIs and Polytechnics. Launched in 2014-15, 28 scholarships were distributed to the youth of 10 villages from Manesar and Rohtak.



Scholarship distribution to village youth of Rohtak pursuing technical courses at ITI and Polytechnic

“

My scholarship has helped in easing out the pressure on my family for paying the fees of my higher studies. Now my brothers can also study without worrying about their fees and they also aim at receiving the same scholarship through Maruti Suzuki.

Deepak, Student of Polytechnic Collage, Manesar

RURAL DEVELOPMENT

Maruti Suzuki facilitates creation and maintenance of basic infrastructure in the villages around Manesar. The common community infrastructure has been revamped, repaired and newly created as per the needs of community members. In 2014-15, some of these efforts have included upgradation of parks, anganwadis, crematoriums, sports grounds, roads, community ponds and village chaupals (community halls).



Renovated sports complex in Manesar for village youth



Upgraded crematorium ground in Bass Hariya, Manesar



Scholarship distribution to village youth of Manesar pursuing technical courses in ITI and Polytechnic



Village sign boards

Community Development



Government Middle School, Khoh, Manesar:
The old world changes into the new...

New toilets constructed for girls, boys and school staff



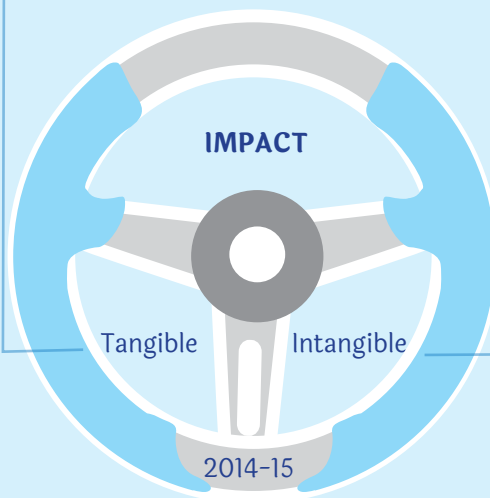
← BEFORE AFTER →



Drinking water facility in the school has been improved by constructing a new water tank

Education Project

- 14 Government schools in Haryana upgraded
- 24 toilet blocks constructed in 12 schools
- 28 scholarships distributed to youth of 10 villages from Manesar and Rohtak
- 49 students of Government schools awarded Academic Excellence Award
- Over 13, 500 children benefitted
- 5 schools declared Most Beautiful Schools under Chief Minister School Beautification scheme of Haryana



- Safe and secure school environment
- Motivated teachers and students
- Behaviour change with respect to hygiene, cleanliness and sanitation
- Less dropouts, more enrolments
- Sporting achievements and records being set
- Creating holistic learning environment
- Teachers finding students more manageable with better classroom facilities

Fabrication and repair work in all classrooms with whitewash and flooring



← BEFORE AFTER →



Increased size of classroom windows to improve natural lighting and ventilation in Government Middle School, Khoh, Manesar

Community Development

A life where “Control” is all that matters

17-year old Jyoti Verma is a class XI student of Government Senior Secondary School, Sarhaul, Gurgaon and the eldest of four children in her house. Living in a one-room tenement with four more families squeezed in on the same floor, they struggle for everything – from the three square meals that her parents rustle up to using the one common toilet, to resisting her father’s constant plea to quit school and work so there is an additional income to feed the family.

Jyoti wants to study and become an “Officer” in a company. She wants to buy a house where she can bring in her parents, especially mother, who has not had time to recover from a recent surgery. She knows she is intelligent, sharp and energetic but also a good “control artiste”, who controls her emotions, anger, frustration and even bladder, putting to shame the best trapeze artists in a circus.

She controls her anger when she sees their landlord pressuring her parents to increase the monthly rent. She controls her frustration seeing her mother go through the daily grind. She controls the fear that grips her when neighbourhood boys indulge in eve teasing. She also controls her bladder since access to an available, clean and functional bathroom is a daily battle. She knows it is unhealthy, but where is the choice?

On a bright summer morning in 2012, a painted board saying “Maruti Suzuki” was put up in school. “With a swiftness, India’s premier car company set about righting all the wrongs in the school environment. Flowers started blooming on grounds that had never seen grass before. The school gate was repaired and boundary walls raised. Desks, chairs, blackboards, lights, fans got fixed and bathrooms repaired with separate toilets for boys and girls that saw running water 24X7.”

‘Control’ now has a positive connotation. Her grades have improved. She loves coming to the school where she feels safe and protected. She no longer needs to control her bladder. The school toilet is clean with full-time sweepers. She and other girls can now use the school bathroom to freshen up.

“

“ I suddenly feel more in control of myself and my life. Maruti Suzuki’s efforts to upgrade our school has given us hope, boosting our self-confidence in so many different ways.”

Jyoti Verma, Government Senior Secondary School,
Sarhaul, Gurgaon



Girls toilet block in Sarhaul school, Gurgaon

Voice of Beneficiaries



Jyoti Verma



Laid paver blocks to utilise the open space in Government High School, Mollaheda

Sanitation Champion on a Mission

Khushi is a 10-year old Class IV student of Government High School, Mollaheda, Gurgaon, whose most prized possession is a beautiful pink bag with Barbie doll on it. She feels a sense of pride when she talks of being a Sanitation Champion and the bag being a reward for her efforts to make cleanliness and hygiene a personal mission.

How does a typical day begin for her? She enters the school compound and the first thing she does is place her satchel on the desk and bring out a paper bag. Clutching it purposefully, she strides into the school compound. Eyes darting left-to-right, then right-to-left before sharply turning around and briskly walking up and down the school compound, she scouts for biscuit wrappers, polythene packets, leftover food items, balls of rolled-up waste paper. She takes barely ten minutes and during this time, other sanitation champs join her.

Prior to students taking up the sanitation challenge, patterns in cleanliness were clearly established. The school's primary wing housing junior classes was dirtier, messier and smellier than the middle and senior wings. It was common to see dirt heaps in all open spaces outside classrooms, bathrooms, play grounds and corridors. No one paid attention to cleanliness, which was seen as an activity assigned to someone else.

Maruti Suzuki's school coordinators worked closely with other students to create awareness on hygiene, explaining its linkage with disease. Students began to "see" garbage in the clutter and chaos of their lives, things they had earlier been oblivious to, accepting as part of the landscape they belonged to. Garbage collection got converted into a game that ended with feeling a sense of pride and ownership for the clean spaces they were creating. Class toppers were invited to lead the sanitation drive. New sanitation members were enlisted and sanitation teams formed. For many students, the sanitation drive has extended to their homes where they spread the message of cleanliness, motivating neighbours and others to join in.

Voice of Beneficiaries



Khushi (extreme left) with her sanitation brigade

“The urge to join sanitation brigade is getting intense day by day among students. I feel proud and happy by contributing to cleanliness of my school.”

Khushi, Government High School, Mollaheda, Gurgaon

Skill Development

The availability of skilled manpower is essential for sustaining industrial growth. While the country has large number of technical training institutes run by Government and private organisations, the quality of training infrastructure and level of teaching require significant upgradation to meet the skilled manpower requirements of the industry. With an aim to upgrade the exiting technical training facilities in the country, the Company is running following programmes as part of its social responsibility.

- Upgradation of Government Vocational and Technical Training Institutes
- Skill enhancement in automobile trade at ITIs

Upgradation of Government Vocational and Technical Training Institutes: The Company is working towards improving the quality of training by upgrading infrastructure, facilitating overall development of students and staff, providing industry exposure to students and staff and offering industry oriented add-on courses in Government Industrial Training Institutes (ITIs) to make students industry-ready.

The Company is currently upgrading 27 ITIs in 8 states. The programme aims at fine-tuning with the current and future business requirements and to groom the candidates studying in ITIs. Through this programme over 9500 students and over 800 teachers were trained in 2014-15.

Skill enhancement in automobile trade: The Company enters into technical tie-ups with ITIs across the country along with its dealers with the key objective to upgrade select courses linked to auto industry such as mechanics, automobile and denting and painting course.

Through this project training facilities, training of trainers, provision of study material and practical training is being provided for students besides organising job fairs. Students passing out of these ITIs are getting employment at the dealer workshops. The Company is currently working with 88 ITIs spread across 21 states to upgrade automobile related trades.

In 2014-15, the Company took this initiative to the next level by committing to setup Automobile Skill Enhancement Centres (ASEC) at 45 Industrial Training Institutes across the country in a phased manner. Each of these centres will be equipped with a model service workshop to provide practical training. The Company has appointed full time trainers, provided tools, and equipment and forged partnerships with local Maruti Suzuki service workshops to upgrade skills of ITI students and make them job-ready.



Cut sections of engine and modern teaching aids provided at ITIs



Maruti Suzuki sponsored full-time trainers providing training to ITI students



Upgraded new workshop areas with new car models at ITIs

5,500 students have benefited by skill development initiative. In the last three years, over 2,800 students got employment in service workshops of the Company's dealers while a significant number of students got jobs in workshops of other companies.



Poonam Singh, Supervisor,
Maruti Suzuki Dealership in Meerut

Dreaming big with Poonam Singh, India's first trained auto mechanic

23-year old Poonam Singh is the only girl in her village Timakiya, on Baghpat road in Meerut, Uttar Pradesh, who wears "pants" and does not cover her head with a veil as she heads out to work in a Maruti Suzuki dealer outlet, doing a job men do. She has many firsts to her credit. Not only is she the first girl in the country to complete her automobile mechanic course from the government-run Industrial Training Institute (ITI) followed by an apprenticeship, going on to win a Prime Ministers Award for the same, but also the first girl in the family to have a job.

Behind the delicate frame is a determined mind that steers decisions, making her excel and trod the unbeaten path. She earns ₹ 10,000 a month as fixed salary plus incentives based on performance. As Supervisor, her job entails assessing every car that enters, servicing it properly and handing client queries on delivery. She is passionate about her job and wants to learn more about vehicles and machinery.

ITI Meerut is one of the country's model institutes and is one of 85 institutes supported by Maruti Suzuki. The tie-up formalised in 2011-12 ensures students are trained on latest cars and systems, have ample practical experience, factory visits, interaction with engineers/managers and a strengthening of curriculum with add-on notes. This is a win-win for students and dealers who frequently visit ITIs for recruitment.

Voice of Beneficiaries

Training aids, Helmets, Uniforms,
Measuring Tools, provided at ITIs



"In our ITI, students are provided training on latest car models and good industrial exposure. Now, we have 100% placements for automobile trade with almost 2.5 times hike in the salary offerings."

A.K. Nigam, Foreman, Industrial Training Institute, Meerut

Road Safety



Jagriti Event - Felicitation of star drivers

Over one lakh road accident fatalities occur in India every year. This is the highest in the world. Studies show that the driver's fault is the principal reason for road accidents and fatalities. This reinforces the need for driving training and road safety awareness. In the absence of a proper driving training infrastructure in the country, people drive without proper training, leading to road accidents and fatalities. Maruti Suzuki runs a large nationwide road safety programme that focuses on providing scientific driving training and generating awareness amongst masses on safe driving. The Company works on several road safety initiatives:

Institutes of Driving and Traffic Research (IDTRs): Established in partnership with the Government, IDTRs offer training for passenger car and commercial vehicle drivers. Scientifically designed driving tracks and simulators are used for practical training. An additional component of health check-ups and soft skills training is also offered for commercial vehicle drivers. Trained and certified instructors undertake theory and practical sessions. The Company has set up six IDTRs so far. Underprivileged youth trained at IDTRs are able to secure jobs; for example, of the 7,000 tribal youth trained at IDTR, Gujarat, about 5400 have got the jobs so far and have improved the lives of their families.

Road Safety Knowledge Centres (RSKC): The Company has setup RSKC in partnership with Haryana Traffic Police to promote road safety in cities. The RSKC are managed by IDTR. Presently there are seven RSKCs functional in Haryana. Traffic violators and learner license applicants are given training on road safety and traffic rules at RSKC.



Institute of Driving Training and Research, Sarai Kale Khan, Delhi

Maruti Driving Schools: Opened in association with Maruti Suzuki's dealer network, Maruti Driving School (MDS) offers classroom as well as attitudinal training. Advanced simulators create on-road driving situations, so learners get a first-hand feel of the road before they actually drive. MDS have female instructors for women learners. In 2014-15, 23 new MDS were added taking the total number to 340.

Train the Trainer Programme: The key objective of the programme is to develop high quality, dedicated road safety professionals for its driving schools and standardise training delivery across India as per Maruti Suzuki standards. Future trainers are trained to achieve proficiency in training, communication skills and key instructional abilities. In 2014-15, 176 new and 449 existing trainers were trained under "Train the Trainer Programme".

Minority Communities: The Company has signed an MoU with National Minorities Development and Finance Corporation (NSFDC) to train economically weaker youth belonging to minority communities. In 2014-15, 5267 new drivers and 14,327 existing drivers from economically poor sections of the society were trained in professional driving.

Road Safety for Truck Drivers: In 2014-15, over 40,000 drivers transporting Maruti Suzuki vehicles attended driving training sessions at Driver Education Centres, located within the factory premises in Manesar and Gurgaon. Besides, 7000 drivers were trained at IDTR.

Week long safety campaigns, called "Jagriti", is organised for truck drivers. The programme also covers health and eye check-ups and HIV/AIDS awareness and testing camps, multiple media like games, quizzes and nukkad natak (street plays) etc. The Company also rewards drivers who practice safe driving and transport vehicles on time without damages.

Road Safety Education: The Company promotes road safety among people through various campaigns in partnership with traffic police. In 2014-15, 11 road safety awareness campaigns were organised in 8 states covering over 5 lakh people beside an ongoing programme of traffic updates on radio for mass awareness on road safety and traffic congestion.



Road safety awareness campaigns for school students in collaboration with Traffic Police



Female instructor imparting training to women trainees on driving simulator

Making Way for Trained Women Drivers

Selvi is in her 40's. When most women in her community at her age settle into an easy domestic life, she has stepped out to earn a livelihood. Not just that, but learn a new skill, and one associated mostly with men. As a single mother who has to support a 20-year old daughter till she is married, Selvi takes her responsibility seriously, disregarding even the polio affected limp she has carried since childhood. Through her younger years, she struggled with different jobs, from being a kindergarten teacher to receptionist in a private company and cook in an affluent home.

She joined Maruti Suzuki's road safety programme, overcoming her inhibitions and fears. Post the driving course, she got a job in a play school driving little girls to and from their residence. She now earns ₹ 11,000/- per month with her driving career. She wants to continue this and one day wants to teach driving to more women. Not only did she become a driver herself, she encourages her friends too to take this challenge.

Started in the year 2000 with setting up of the Institute of Driving Training and Research (IDTR) at Loni in partnership with Department of Transport, Government of Delhi, Maruti Suzuki had setup similar institutes in Haryana, Gujarat and Uttarakhand on sprawling 10 acre properties. These have scientifically engineered driving tracks, simulators, classroom training for driving and lessons on traffic rules and soft skills. Their USP is on enlisting women as drivers. With special female instructors, they have brought in many women, who actually prefer coming to their centres to learn driving rather than go to private driving schools.

Voice of Beneficiaries



Selvi

“None of my jobs paid me even half of what I earn now. I can finally meet my expenses while enjoying the experience of being a woman driver. It gives me a sense of freedom, control and responsibility”.

Selvi, Trained Driver from MDS

Employee Volunteering

Employee volunteering is a significant means of engaging employees in a socially useful activity. Through volunteering employees contribute to the Company's committed CSR programmes. Employee volunteering activities are run actively throughout the year and all employees are free to participate in them. Employees volunteer on issues such as road safety, education, sanitation and rural development.

In 2014-15, employee contributed over 20,000 hours to various CSR activities, double of the hours clocked last year. The year also saw the highest participation of shop floor employees with more than 3500 shop floor employees participating in volunteering activities.



Shop floor employees participating in sanitation drive



School Beautification



Tree plantation drive in Manesar villages



Shop floor employees volunteering in road safety campaign



Volunteers encouraging sporting culture in schools



Employees teaching in schools



Life skill sessions in schools

Product Responsibility

DISCLOSURE ON MANAGEMENT APPROACH

Customer health and safety is a material aspect for the Company. The active and passive safety devices provided in the cars ensure passengers' safety in the event of an accident. Also, communication of misleading information either through product and service labelling or marketing communication can ultimately lead to creation of unsafe situation on the road. Hence, product and service labelling and marketing communication are provided with the product along with a comprehensive service booklet that has complete information about the product.

Maruti Suzuki cars comply with Bharat Stage IV emission norms. The Company's R&D initiatives improve performance and safety aspects of vehicles based on the customers' feedback and new regulations. To ensure customer privacy, the Company has an agreement with its dealers, service zones and authorised service stations to safeguard confidentiality of customer data.

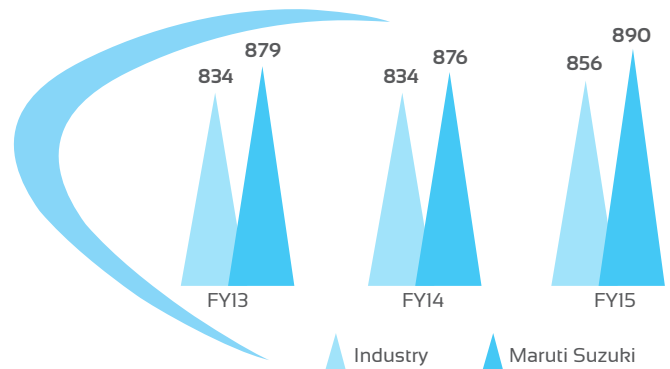
CUSTOMER HEALTH AND SAFETY: PRODUCTS

Maruti Suzuki's vehicles comply with safety norms of the country and export markets. During the vehicle designing process, a series of tests are performed to ensure safety aspects of cars. The Company is in the process of establishing R&D centre and test track at Rohtak which will have world class facilities for vehicle design, development and evaluation. Some of the facilities for passive safety testing like crash, sled and pedestrian are already operational at Rohtak.

CUSTOMER HEALTH AND SAFETY: SERVICES

Maruti Suzuki has vast service network comprising 3,086 workshops covering 1,471 cities across the country. The Company was ranked No. 1 in the J.D. Power Asia Pacific Customer Satisfaction Index (CSI) Survey for the 15th year in a row.

Customer Satisfaction Index (CSI) Survey – JD Power Asia Pacific 2014 India Survey



Service network: The service network has the capacity to service over 12.8 lakh cars per month and it covers more than 1.1 lakh villages.

Mobile workshops: As on 31st March, 2015, there were 1,252 Maruti Mobile Support (MMS) vehicles in operation which provided servicing to around 62,452 customers per month at their doorsteps.

Emergency road side assistance: It helps customers by providing 24 hours assistance in case of vehicle break down on the road through Maruti On Road Service. In 2014-15, it has provided service to over 90,000 customers.

Grievance redressal system: Maruti Suzuki has established a robust system to address customers' grievances. It also has complaint escalation mechanism which can be exercised by a customer in case of dissatisfaction with the service received.

Maruti On Road Service (MOS): MOS provides service to customers anywhere and anytime. In 2014-15, about 70,000 calls were attended by MOS. In 2014-15, MOS has provided service to over 70,000 customers.

Maruti Mobile Support (MMS) providing service at customer's doorstep



PRODUCT AND SERVICE LABELLING

All Maruti Suzuki cars sold contain owner's manual and service booklet which have comprehensive information related to safety, operation and maintenance of the vehicle. Critical information about the product and its usage is mentioned on the labels of the products for safety and educational purposes.

There were no incidents of non-compliance with regulation/voluntary codes concerning product and service information and labelling in the year.

MARKETING COMMUNICATION

All vehicles sold in a particular market comply with the safety and general norms of that market. The Company is a member of the Advertising Standards Council of India (ASCI) and follows its Code for Self-Regulation in advertising and marketing communications. The Company ensures that its advertisement content does not ignore the aspects of social responsibility and ethics.

There was no significant incident of non-compliance with regulation/voluntary codes concerning marketing communication, including advertising, promotion and sponsorship.

ANTI-COMPETITIVE BEHAVIOUR

The Director General, Competition Commission of India, has conducted an investigation on 17 automobile OEMs in India, including Maruti Suzuki, for alleged anti-competitive behaviour. The matter is pending adjudicating with the Competition Commission of India as on 31st March 2015.

There are no cases filed and pending against Maruti Suzuki in regard to irresponsible advertising and/or anti-competitive and unfair trade practices.

CUSTOMER PRIVACY

Maruti Suzuki has an agreement with its dealers, Maruti Service Zones and Maruti Authorised Service Stations for maintaining privacy of customer data. The customer data is centrally controlled through the Dealer Management System across sales and service network.

There were no substantial complaints regarding breach of customer privacy or loss of customer data during the year.

COMPLIANCE

There were no significant fines for non-compliance with laws and regulations concerning the provision and use of products, services.



Technicians servicing vehicles at dealer workshop



Checkup and servicing of army vehicles

GRI G4 (Core) Content Index

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G4-33	Organization's policy and current practice for seeking external report assurance	12	NA	NA	NA	64
GOVERNANCE						
G4-34	Report the governance structure of the organization.	20-23	NA	NA	NA	64
ETHICS AND INTEGRITY						
G4-56	Describe the organization's values, principles, standards and norms of behaviour	22-23	NA	NA	NA	64
SPECIFIC STANDARD DISCLOSURES						
CATEGORY: ECONOMIC						
MATERIAL ASPECT: ECONOMIC PERFORMANCE						
G4-DMA	Disclosure on Management Approach	25				64
G4-EC1	Direct & indirect economic value generated and distributed.	26				64
G4-EC3	Coverage of organization's defined benefit plan obligations	26				64

General Standard Disclosures	Disclosure Requirements	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance (Page No.)
MATERIAL ASPECT: PROCUREMENT PRACTICES						
G4-DMA	Disclosure on Management Approach	25				64
G4-EC9	Procurement practices with respect to local suppliers and location of operation	10				64
CATEGORY: ENVIRONMENTAL						
MATERIAL ASPECT: MATERIALS						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN1	Total weight or volume of materials used	29				64
G4-EN2	Recycled input materials used to manufacture primary products and services.	29				64
MATERIAL ASPECT: ENERGY						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN3	Total fuel consumption from non-renewable & renewable sources	30				64
G4-EN5	Energy intensity ratio	30				64
G4-EN7	Reductions in energy requirements of sold products and services	32, 33				64
MATERIAL ASPECT: WATER						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN8	Report the total volume of water withdrawn from sources.	31				64
MATERIAL ASPECT: EMISSIONS						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN15	Direct greenhouse gas (GHG) emission (scope 1)	31				64
G4-EN16	Indirect greenhouse gas (GHG) emission (scope 2)	31				64
G4-EN19	GHG emissions reduction achieved as a direct result of initiatives to reduce emissions.	30				64
MATERIAL ASPECT: EFFLUENTS AND WASTE						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN22	Report the total volume of planned and unplanned water discharges.	31				64
MATERIAL ASPECT: PRODUCTS AND SERVICES						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN27	Environmental impacts of products and services.	31-33				64
MATERIAL ASPECT: COMPLIANCE						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN29	Report significant fines and non-monetary sanctions.	35				64
MATERIAL ASPECT: TRANSPORT						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN30	Significant environmental impacts of transportation used by the Company	35				64
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN32	Percentage of new suppliers screened using environmental criteria.	35				64
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS						
G4-DMA	Disclosure on Management Approach	29				64
G4-EN34	Total number of grievances about environmental impacts filed	35				64
CATEGORY: SOCIAL						
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK						
MATERIAL ASPECT: EMPLOYMENT						
G4-DMA	Disclosure on Management Approach	37				64
G4-LA1	Total number and rate of new employee hires and rate of employee turnover	38				64
G4-LA2	Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees	39				64
G4-LA3	Parental leave.	39				64
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS						
G4-DMA	Disclosure on Management Approach	37				64
G4-LA4	Minimum number of weeks' notice provided to employees and elected representatives prior to implementation of significant operational changes.	39				64
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY						
G4-DMA	Disclosure on Management Approach	37				64
G4-LA5	Formal joint management-worker health and safety committees.	40				64
G4-LA6	Types of injury, injury rate, occupational diseases rate, lost day rate, absentee rate and work-related fatalities	40				64
MATERIAL ASPECT: TRAINING AND EDUCATION						
G4-DMA	Disclosure on Management Approach	37				64
G4-LA9	Average hours of training employees have undertaken during the reporting period.	41				64
G4-LA10	Programs implemented and assistance provided to upgrade employee skills.	41				64
G4-LA11	Percentage of total employees by gender and by employee category who received regular performance and career development review.	41				64
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES						
G4-DMA	Disclosure on Management Approach	37				64
G4-LA14	Report the percentage of new suppliers that were screened using labour practices criteria.	35				64

General Standard Disclosures	Disclosure Requirements	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance (Page No.)
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS						
G4-DMA	Disclosure on Management Approach	37				64
G4-LA16	Report the total number of grievances about labour practices filed	42				64
SUB-CATEGORY: HUMAN RIGHTS						
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING						
G4-DMA	Disclosure on Management Approach	37				64
G4-HR4	Operations and suppliers in which employee rights to exercise freedom of association or collective bargaining may be violated or at significant risk.	42				64
MATERIAL ASPECT: CHILD LABOR						
G4-DMA	Disclosure on Management Approach	37				64
G4-HR5	Operations and suppliers considered to have significant risk for incidents of child labour, young workers exposed to hazardous work.	42				64
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR						
G4-DMA	Disclosure on Management Approach	37				64
G4-HR6	Operations and suppliers at risk for incidents of forced or compulsory labour.	42				64
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT						
G4-DMA	Disclosure on Management Approach	37				64
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	42				64
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS						
G4-DMA	Disclosure on Management Approach	37				64
G4-HR12	Report the total number of grievances about human rights impacts filed	42				64
SUB-CATEGORY: SOCIETY						
MATERIAL ASPECT: LOCAL COMMUNITIES						
G4-DMA	Disclosure on Management Approach	37				64
G4-SO1	Report the percentage of operations with implemented local community engagement, impact assessments, and development programs.	44-45				64
MATERIAL ASPECT: ANTI-CORRUPTION						
G4-DMA	Disclosure on Management Approach	37				64
G4-SO3	Total number and percentage of operations assessed for risks related to corruption.	42				64
G4-SO4	Communication and training on anti-corruption policies and procedures.	42				64
G4-SO5	Number and nature of confirmed incidents of corruption.	42				64
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR						
G4-DMA	Disclosure on Management Approach	37				64
G4-SO7	Report the total number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation.	43				64
MATERIAL ASPECT: COMPLIANCE						
G4-DMA	Disclosure on Management Approach	37				64
G4-SO8	Report significant fines and non-monetary sanctions.	45				64
SUB-CATEGORY: PRODUCT RESPONSIBILITY						
ASPECT: CUSTOMER HEALTH AND SAFETY						
G4-DMA	Generic Disclosures on Management Approach	59				64
G4-PR1	Percentage of product and service for which health and safety impacts are assessed for improvement	59-60				64
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING						
G4-DMA	Disclosure on Management Approach	59				64
G4-PR3	Product and service information required by organization for information and labelling.	60				64
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling.	60				64
G4-PR5	Results or key conclusions of customer satisfaction surveys.	59				64
MATERIAL ASPECT: MARKETING COMMUNICATIONS						
G4-DMA	Disclosure on Management Approach	59				64
G4-PR7	Report the total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.	60				64
MATERIAL ASPECT: CUSTOMER PRIVACY						
G4-DMA	Disclosure on Management Approach	59				64
G4-PR8	Total number of substantiated complaints received concerning breaches of customer privacy.	60				64
MATERIAL ASPECT: COMPLIANCE						
G4-DMA	Disclosure on Management Approach	59				64
G4-PR9	Total monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	60				64

Independent Assurance Statement

INTRODUCTION

DNV GL Business Assurance India Private Limited has been commissioned by the management of Maruti Suzuki India Limited ('MSIL' or 'the Company') to carry out an independent assurance engagement (Type 2, Moderate level) of the Company's sustainability performance (qualitative and quantitative information) disclosed in MSIL's Sustainability Report 2014-15 ('the Report') in its printed format. The Report has been prepared using the Global Reporting Initiative's G4 Sustainability Reporting Guidelines (GRI G4) in line with its 'in accordance' – Core option. The engagement was carried out against Account Ability's AA1000 Assurance Standard 2008 (AA1000 AS) and the DNV Verification Protocol for Sustainability Reporting ('VeriSustain' - available on request from www.dnvgl.com) and included confirmation of the 'in accordance' – Core reporting requirements of GRI G4.

The intended user of this assurance statement is the management of the Company. The management is responsible for all the information provided in the Report as well as the processes for collecting, analysing and reporting the information presented in the Report. Our responsibility in performing this work is regarding the verification of the disclosures in the Report only and in accordance with the scope of work agreed with the management of the Company. The assurance engagement is based on the assumption that the data and information provided to us is complete, sufficient and authentic. We disclaim any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this assurance statement. Our assurance engagement was planned and carried out in June – October 2015.

SCOPE, BOUNDARY AND LIMITATIONS OF ASSURANCE

The scope of assurance included the review of Economic, Environmental and Social disclosures in the Report. In particular, the assurance engagement included:

- The verification of the qualitative and quantitative information on sustainability performance disclosed in the Report prepared by MSIL based on GRI G4, and covering economic, environmental and social performance for the activities undertaken by the Company over the reporting period 1st April 2014 to 31st March 2015 and disclosed in this Report;
- Review of the policies, initiatives, practices and performance represented in the Report;
- Evaluation of the disclosed information in the Report, both General and Specific Standard Disclosures made in line with the 'in accordance' – Core reporting requirements, and covering the systems and processes which the Company has in place for adherence to the reporting principles set out in GRI G4;
- Evaluation with respect to the Account Ability principles and specified performance information, for a Type 2, Moderate level of assurance, in accordance with the requirements of AA1000AS (2008):
 - Information relating to the issues, responses, performance data, case studies and underlying systems for the management of such information and data;
 - Information relating to materiality assessment and stakeholder engagement processes;
- Confirmation of sustainability disclosures related to GRI G4 - 'in accordance' – Core as declared by MSIL.

The reporting Aspect boundary is based on internal and external materiality assessment covering MSIL's operations and key supply chain activities as set out in the Report in the section 'Report Scope and Aspect Boundary'. During

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the assurance process, we did not come across limitations to the scope of the agreed assurance engagement. No external stakeholders were interviewed as part of this assurance engagement.

VERIFICATION METHODOLOGY

This assurance engagement was planned and carried out in accordance with AA1000AS (2008) i.e. Type 2, Moderate level of assurance, and VeriSustain. The report has been evaluated against the following criteria:

- Adherence to the principles of Inclusivity, Materiality and Responsiveness, as well as Reliability of specified sustainability performance information, as set out in AA1000AS (2008);
- Application of the principle of materiality as per GRI G4;
- Adherence to additional principles of Completeness and Neutrality, as set out in VeriSustain;
- The GRI G4 requirements for the 'in accordance' - Core option.

During the assurance engagement, we adopted a risk-based approach, i.e. we concentrated our verification efforts on the issues of high material relevance to business and its key stakeholders. As part of the engagement, we have verified the statements and claims made in the Report and assessed the robustness of the underlying data management system, information flow and controls. In doing so, we have:

- Reviewed the company's approach to stakeholder engagement and its materiality determination process;
- Verified the robustness of the data management system, information flow and controls;
- Performed sample-based checks of the processes for generating, gathering and managing the quantitative data and qualitative information included in the Report;
- Examined and reviewed documents, data and other information made available by MSIL at the Company's Corporate Office in New Delhi, and visited the Company's manufacturing facility at Gurgaon in Haryana, India;
- Visited one of the Corporate Social Responsibility (CSR) activities implemented by MSIL at a government school at Gurgaon;
- Conducted in-person and on-line interviews with the top and senior management team of MSIL, and other representatives, including data owners and decision-makers from different functions and locations of the Company;
- Verified the reported data on economic performance based on the audited financial statements provided by the Company's statutory auditors;
- Performed sample-based reviews of the mechanisms for implementing the Company's sustainability related policies, as described in the Report.

CONCLUSIONS

In our opinion, based on the scope of this assurance engagement, the sustainability performance disclosures reported, including the referenced information provides a fair representation of the sustainability related strategies, management systems and performance. The Report meets the general content and quality requirements of GRI G4 i.e.,

- **General Standard Disclosures:** We are of the opinion that the reported disclosures generally meet the GRI G4 reporting requirements for the 'in accordance' – Core.
- **Specific Standard Disclosures:** We are of the opinion that the reported disclosures generally meet the reporting requirements for 'in accordance' – Core covering Generic Disclosures on Management Approach (DMA) and Performance Indicators for the material Aspects identified through the Company's materiality assessment, as given below:

Economic	
Economic Performance	G4-EC1, G4-EC3;
Procurement Practices	G4-EC9;
Environment	
Materials	G4-EN1, G4-EN2;
Energy	G4-EN3, G4-EN5, G4-EN7;
Water	G4-EN8;
Emissions	G4-EN15, G4-EN16, G4-EN19;
Effluents and Waste	G4-EN22;
Products and Services	G4-EN27;
Compliance	G4-EN29;
Transport	G4-EN30;
Supplier Environmental Assessment	G4-EN32;
Environmental Grievance Mechanism	G4-EN34;
Social	
Labour Practices and Decent Work	
Employment	G4-LA1, G4-LA2, G4-LA3;
Labour/Management Relations	G4-LA4;
Occupational Health and Safety	G4-LA5, G4-LA6;
Training and Education	G4-LA9, G4-LA10, G4-LA11;
Supplier Assessment for Labour Practices	G4-LA14;
Labour Practices Grievance Mechanism	G4-LA16;
Human Rights	
Freedom of Association and Collective Bargaining	G4-HR4;
Child Labour	G4-HR5;
Forced or Compulsory Labour	G4-HR6;
Supplier Human Rights Assessment	G4-HR10;
Human Rights Grievance Mechanisms	G4-HR12;
Society	
Local Communities	G4-SO1;
Anti-corruption	G4-SO3, G4-SO4, G4-SO5;
Anti-competitive Behaviour	G4-SO7;
Compliance	G4-SO8;
Product Responsibility	
Customer Health and Safety	G4-PR1;
Product and Service Labelling	G4-PR3, G4-PR4, G4-PR5;
Marketing Communications	G4-PR7;
Customer Privacy	G4-PR8;
Compliance	G4-PR9.

We have evaluated the Report's adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement':

AA1000AS (2008) PRINCIPLES

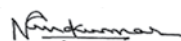
Inclusivity: The stakeholder identification and engagement process included engagement with key stakeholders including supply chain partners, to identify significant sustainability challenges and concerns through different channels. The material issues emerging from materiality analysis were collected and prioritised, and the results are fairly reflected in the Report. In our view, the level at which the Report adheres to this principle is 'Good'.

Materiality: The Company has carried out a materiality assessment exercise considering internal and external impacts of identified Aspects. The Report fairly captures identified material aspects considering the concerns of various stakeholders and sustainability context of the business. In our view, the level at which the Report adheres to this principle is 'Good'.

For DNV GL



Kiran Radhakrishnan
Project Manager
DNV GL Business Assurance India Private Limited, India.



Nandkumar Vadakepath
Assurance Reviewer
Regional Sustainability Manager - India, Sri Lanka & Bangladesh
DNVGL Business Assurance India Private Limited, India.

15th October 2015, Bengaluru, India.



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Responsiveness: We consider the response to key stakeholder concerns through its policies, management systems and governance mechanisms to be fairly reflected in the Report. In our view, the level at which the Report adheres to this principle is 'Good'.

Reliability: The robustness of the data management and aggregation systems was evaluated at the Corporate Office at New Delhi and at the manufacturing facility at Gurgaon, and was found to be fairly reliable. Hence in accordance with AA1000AS (2008) requirements for a Type 2, Moderate level assurance engagement, we conclude that the specified sustainability data and information presented in the Report is reliable and acceptable. In our view, the level at which the Report adheres to this principle is 'Good'.

SPECIFIC EVALUATION OF THE INFORMATION ON SUSTAINABILITY PERFORMANCE

We consider the methodology and process for gathering information developed by MSIL for its sustainability performance reporting to be appropriate, and the qualitative and quantitative data included in the Report was found to be identifiable and traceable; the personnel responsible was able to demonstrate the origin and interpretation of the data and its reliability. We observed that the Report presents a faithful description of the reported sustainability activities for the reporting period.

ADDITIONAL PRINCIPLES AS PER DNV GL VERISUSTAIN

Completeness: The Report discloses the General and Specific Standard Disclosures including the Disclosures on Management Approach and required Performance Indicators against GRI G4, and in line with its 'in accordance' – Core option within its identified reporting boundary. In our view, the level at which the Report adheres to this principle is 'Good'.

Neutrality: The disclosures related to sustainability issues and performances are reported in a neutral tone, in terms of content and presentation. In our view, the level at which the Report adheres to the principle of Neutrality is 'Good'.

OPPORTUNITIES FOR IMPROVEMENT

The following is a summary of observations and further opportunities for improvement reported back to the management of MSIL and are not considered for drawing our conclusion on the Report; however, they are indeed consistent with the management's objectives already in place:

- MSIL may carry out a risk assessment of its supply chain and establish short, medium and long term sustainability goals and targets for identified material Aspects in its supply chain.
- The Company may monitor and evaluate the effectiveness of its corporate social responsibility (CSR) programmes and its indirect economic impacts created in the society.

OUR COMPETENCE AND INDEPENDENCE

We are a global provider of sustainability services, with qualified environmental and social assurance specialists working in over 100 countries. While we did conduct other third party assessment work with MSIL in 2014-15, in our judgement this does not compromise the independence or impartiality of our assurance engagement or associated findings, conclusions and recommendations. We were not involved in the preparation of any statements or data included in the Report except for this assurance statement. DNV GL maintains complete impartiality toward internal stakeholders interviewed during the verification process.

