

Press Release

Maruti Suzuki Annual Integrated Report 2020-21 - Leading with Responsibility. Delivering Excellence.

New Delhi, August 2, 2021: Maruti Suzuki India Limited today released its Annual Integrated Report for the financial year 2020-21. The report can be downloaded from the following link. [Company Reports - Maruti Suzuki India Limited](#)

Addressing shareholders through the report, Mr. R C Bhargava, Chairman, Maruti Suzuki India Limited, said “.... *The lack of any precedent or an adequate understanding of all the aspects of the virus, called upon our experts and policy makers to be extremely flexible and innovative in dealing with problems as they arose. Your Company, by virtue of its unique position in the manufacturing industry, believes it has a responsibility to step forward and participate in meeting any crisis. This time we took the initiative to help scale up production of oxygen and started working with three small companies. Within May itself 73 generators were produced. In June, this further increased to 140 units. This was almost a ten-fold increase over their normal production. Your Company took the lead in devising safety protocols not only for ourselves, but also for our vendors and dealers. As a result, we were amongst the quickest to resume production and sales as lockdown conditions were relaxed.*”

On current market situation, Mr. Bhargava, said “*In March 2021 we were quite optimistic about the outlook for FY2021-22. The suddenness and ferocity of the second wave of the pandemic was a surprise to all, and led to lockdowns and restrictions in most parts of the country. Q1 sales were limited at 353,600 units. The performance in the next three quarters largely depends on how effectively all our citizens follow the government’s advice to get vaccinated and observe safety protocols. If we can avert the third wave, or substantially reduce its effect, and there are no further waves, economic activities and sale of cars can improve significantly over what was achieved last year.*”

On Company’s efforts towards environment, Mr. Bhargava added, “... *Your Company is very aware of its responsibility to support the effort to reduce the carbon footprint as fast as possible.*

Fortunately, unlike the developed countries, emissions from cars in India are comparatively small as vehicle penetration is very low. We have to ensure that as growth takes place, and more and more people are able to afford a car, your Company uses technology that would take us towards our goal. Suzuki Motor Corporation Japan is giving priority to the development of technologies suitable for the Indian market. Research and development efforts are being accelerated and your Company would be fully involved in this work. Suzuki’s alliance with Toyota in Japan would prove very valuable for this effort.”



On electrification and various green technologies, he added, “... I have no doubt that the large resources that are now being deployed for technology development will lead to lowering the cost of EVs and reducing dependence on Lithium, procurement of which poses some strategic issues of national importance. The time frame for all of this to happen is not certain but meanwhile we do need to reduce import of oil and harmful emissions. Fortunately, in our market conditions the use of CNG, particularly for small cars, has proved very acceptable to customers. The government has recognized the importance of CNG as a fuel for cars and is making concerted efforts to build the infrastructure to make CNG available in most parts of the country. Your Company will also seek to improve the technology for CNG cars. Hybrid technology also leads to a significant reduction in fuel consumption and emissions and is another area for our engineers to work. Thus, these two technologies, coupled with biofuels, gives the country a means of moving towards the final goal of net zero emission. The use of hydrogen is also an interesting alternative and should be considered specially to reduce dependence on importing Lithium...”

Addressing shareholders through this report, Mr. Kenichi Ayukawa, Managing Director & CEO, Maruti Suzuki India Limited, said “2020-21 was full of challenges and surprises such as lockdown restrictions, uncertain availability of workforce, semi-conductor shortages, and logistical issues. With meticulous planning and concerted efforts of value-chain partners, the Company managed to maintain business continuity by according utmost priority to safety of personnel and quality of products and services. Besides the Company increasingly adopted the use of digital technologies wherever possible to ensure safety of health, convenience and productivity of all stakeholders in its value chain. Being a responsible corporate citizen, the Company is contributing to the best of its ability to support the country in the fight against this COVID-19 pandemic.”

“The Company continued its CSR programme amid challenges in the external environment. Key highlights of the CSR efforts include setting-up of multi-specialty hospital and school in Gujarat. I am happy to share that the hospital with 50 beds and the primary-wing of the school has been made operational in April 2021. The hospital and the school were established in partnership with Zydus Hospitals, Ahmedabad and the Podar Education Network, respectively”, **he added.**

On the environment efforts, Mr. Ayukawa added, “For the conservation of natural resources and environment protection, the Company promotes initiatives across the value chain. Key initiatives include, increasing use of solar power for manufacturing cars, increasing use of railway logistics for vehicle dispatches, optimisation of raw material usage through 3R techniques, water conservation in manufacturing and vehicle servicing, waste management and controlling the use of Substances of Concern. On the product side, the Company is strongly committed to reducing carbon footprint and has been working consciously for many years, irrespective of regulatory requirements. As measured by the CAFÉ regulation, the Company’s fleet has the least CO₂ emission per vehicle among all car manufacturers in India. The Company is following a philosophy of reducing carbon footprint with every new model introduction. For further reduction in CO₂ emissions, the Company is adopting a mix of powertrain technologies based on electrification and CNG.”

Sharing details on Green technologies, Mr. Ayukawa, said “... Recently, our parent company, Suzuki Motor Corporation formulated the Suzuki Environmental Vision 2050 to move towards carbon neutrality in new vehicles and business operations. In this regard, a project has been initiated to develop strategies and action plans aimed at minimizing the Company’s carbon footprint. Additionally, The Company’s efforts to promote the eco-friendly CNG technology vehicles started paying off. In FY 2020-21, despite overall sales of the Company declining in the domestic market by ~8%, the sales of CNG vehicles grew by nearly 50%. Towards electrification of powertrain, the Suzuki Motor Corporation, in a joint venture with Toshiba Corporation and Denso Corporation, is setting-up India’s first lithium-ion battery manufacturing plant with cell level localisation.”

He added, “The Company is trying to make the entire life cycle of a car sustainable, including scrapping, dismantling and recycling. The Company collaborated with Toyota Tsusho Group and established a joint

venture named Maruti Suzuki Toyotsu India Private Limited (MSTI) for vehicle dismantling and recycling facility in India. The MSTI facility is almost ready to be operationalised and will be announced soon.”

Sharing optimism for the future, Mr. Ayukawa concluded, “Although the country is navigating through tough times, its economic prospects appear to be promising over the medium term. With support from SMC in terms of relevant product and technologies, the Company will continue to work on all the enablers to cash-in on the opportunities. Moreover, SMC, in its recent mid-term plan, indicated to offer relevant products such as Utility Vehicles (UV) to strengthen the Company’s product line-up, promote the penetration of hybrids and introduce EVs. The partnership between Suzuki Motor Corporation and Toyota Motor Corporation will help the Company in gaining access to hybrid technology.”

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