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ANNUAL
REPORT



India loves
Maruti Suzuki

MARUTI  SUZUKI

Way of Life!

MARUTI SUZUKI INDIA LIMITED



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INDIA LOVES MARUTI SUZUKI

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Customers relate to a company in multiple ways.

They expect the company to serve them with care, offer products that give them best value and fulfill their desires, including unstated ones...

...when a company is able to do this over time, through repeated interactions, a relationship is born. In the three decades we have been in existence, the passenger car landscape has changed considerably.

Today, our relationships with our customers go beyond just transactions. The millions of families we have connected with offer their trust and faith to us. This trust and faith is contingent upon us continuing to deliver better service, superior products and unmatched value. It also has an element of the unconditional – a near total acceptance and trust in what we do. Their relationship with Maruti Suzuki, we like to think, has evolved to love.

It is because of this love that they have rated Maruti Suzuki alone as first in customer satisfaction for 12 years in a row.

That they have placed orders for our new models in large numbers, often before they have learnt of the price.

That they have waited patiently for months as we have busied ourselves in reworking capacities and processes to deliver more cars to cater to their requirements.

The high rates of repeat purchase and referrals are ways in which our customers reaffirm their faith in us. We are humbled by this affection. It keeps us grounded, and conscious of the responsibility at hand. We treasure this relationship of love. We are committed to keep the faith, and strengthen the bond.

Company Snapshot

Maruti Suzuki is India's largest passenger vehicle company with a market share close to 40%.

Founded in 1981, with the Maruti 800 as its first product offering, the Company today offers 14 models with over 200 variants across the Industry segments like: Passenger cars, Utility vehicles and Vans. 5 plants in the Gurgaon and Manesar areas of Haryana equip Maruti Suzuki with a production capability of 1.55 million units per annum.

Utility Vehicles



GYPSY



ERTIGA



GRAND VITARA

Passenger Cars



ALTO



RITZ



WAGONR



SWIFT



ESTILO



KIZASHI



SX4



A-STAR



DZIRE

Vans



OMNI



EECO

No. 1

In the JD Power Customer Satisfaction Index for the 12th consecutive year

9,100

Employees

1.13 mn

Cars sold in FY'12

4 out of 5

Top selling passenger cars
1st Alto, 2nd Swift, 3rd WagonR, 5th DZire

Milestones

APR'11

Maruti Suzuki wins **Business Standard Company of the Year 2011**

MAY'11

WagonR crosses **1 million** milestone
Ritz completed two successful years of its launch on May 15, 2011

JUN'11

Maruti Suzuki **ranked fourth in an Index of Thought Leaders in India** published by London-based communication agency, Globe scan
J D Power Asia Pacific 2011 India Vehicle Dependability Study (VDS)
Maruti Suzuki Zen Estilo and Swift DZire ranked as the most dependable cars by our customers
Business Today Best CFO Award to Mr. Ajay Seth, CFO, Maruti Suzuki India Limited

AUG'11

Launch of the all new Swift in Petrol and Diesel versions



NOV'11

Chairman, Mr. R. C. Bhargava conferred with 'The Order of the Rising Sun, Gold and Silver Star', a royal honour of Japan

JD Power IQS

Maruti Suzuki Estilo and Swift DZire ranked the highest in the compact and entry midsize segments, respectively

JD Power CSI

Maruti Suzuki wins the JD Power Customer Satisfaction Index for the 12th time in a row

JD Power APEAL Study 2011

Maruti Suzuki Alto and Estilo ranked highest in the compact segment, in a tie, with a score of 844 each. The Swift DZire, with a score of 842, receives an award in the entry midsize car segment for the fourth consecutive year

DEC'11

Awards for Maruti Suzuki Swift

CNBC TV 18 Overdrive Award

Car of the Year 2012

NDTV CNB Awards 2012

Premium Hatchback of the Year

BBC India Top Gear Awards

2011 – Small Car of the Year

ICOTY 2012 – Indian Car of the Year 2012 Award (the only car in India to receive this coveted title twice)

Bloomberg UTVi

Compact Car of the Year

Hatchback 2011

Golden Steering Wheel Awards 2012 (Auto Bild India and Carwale)

JAN'12

Maruti Suzuki launches new revamped A-star

FEB'12

Maruti Suzuki unveils the new Swift DZire

Maruti Suzuki wins the **Businessworld International Business Awards 2012** (Exports Auto and Engineering Category)

MAR'12

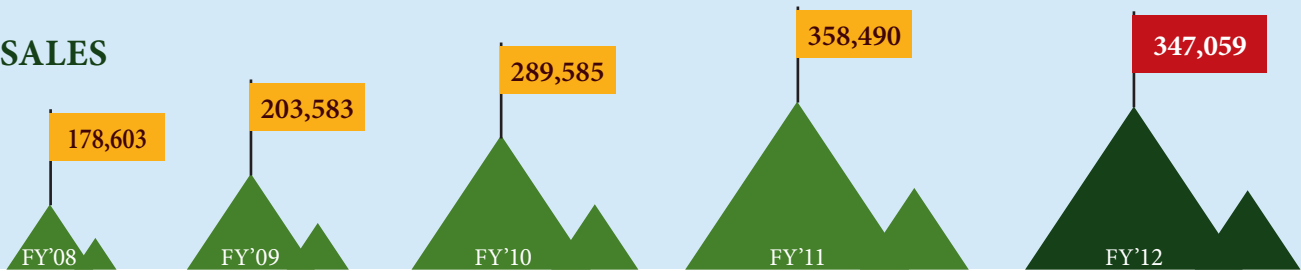
Maruti Suzuki New Swift is the **Business Standard Motoring Car of the Year 2012**

Business Highlights

Business Highlights

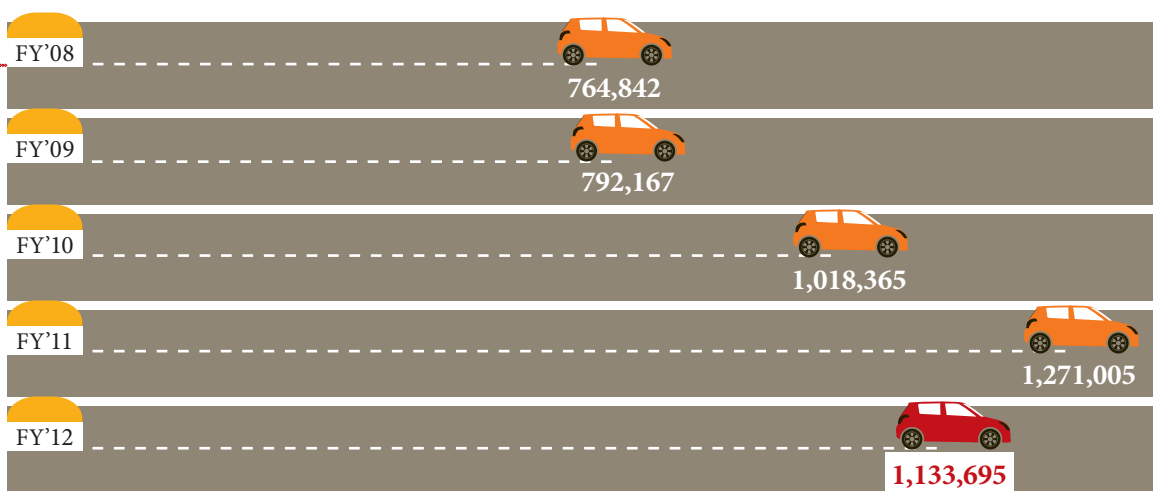
NET SALES

₹ MN



UNIT SALES (DOMESTIC + EXPORTS)

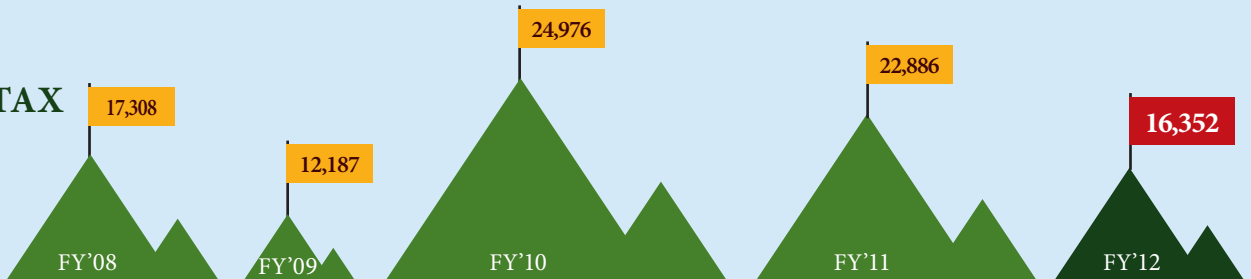
1,133,695
Total Unit Sales
in FY'12



NETWORTH ₹ MN

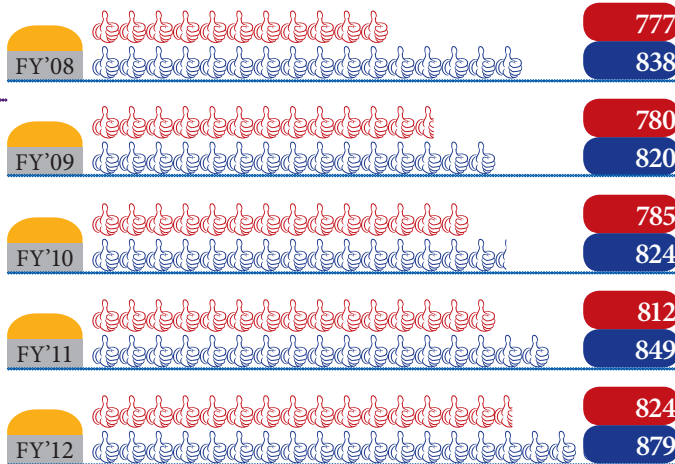


PROFIT AFTER TAX
₹ MN

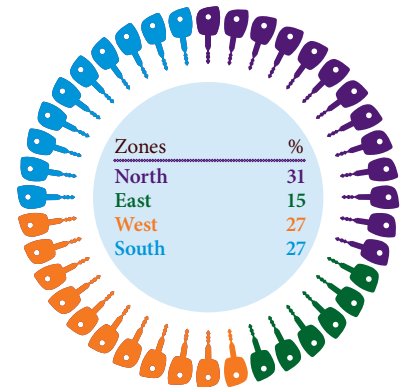


CUSTOMER SATISFACTION INDEX

879
Score in the JD Power Customer Satisfaction Index (against Industry Average of 824) in FY'12



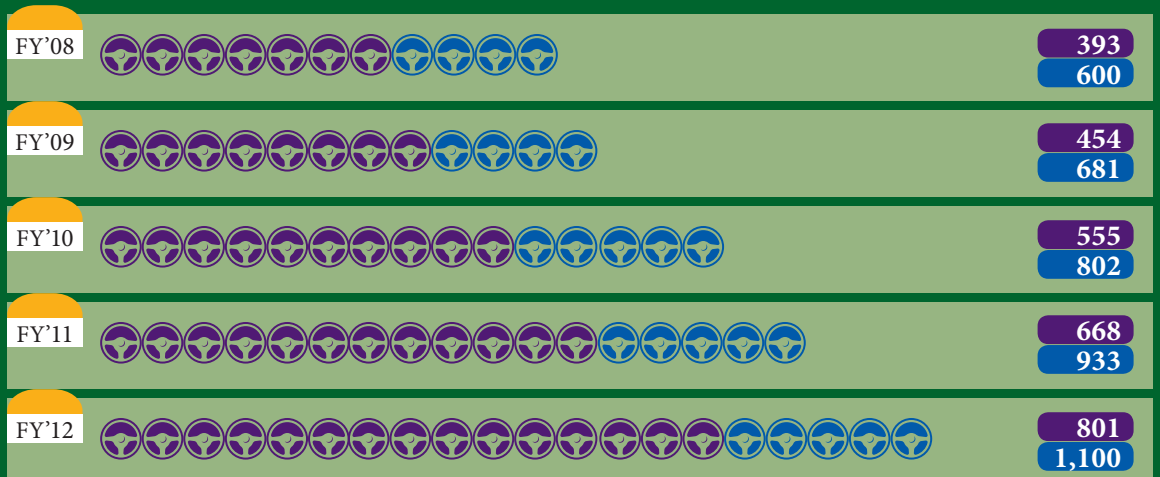
ZONAL DISTRIBUTION OF SALES (DOMESTIC)



NETWORK PRESENCE

Presence across 801 cities with 1,100 outlets

Cities
Sales Outlets





Keeping young India on the move

*Alto, the largest selling car in India
is now the world's highest selling compact car.*



Epitomising freedom and independence, the Alto offers high fuel efficiency and is easy on maintenance. The Alto is the perfect option for the ever-mobile youth of today.

FIRST TIME BUYERS IN INDUSTRY

49% first time cars buyers in the Industry



Source: ESS Study

FAVOURITE OF THE YOUTH

27% of Alto car buyers are less than 29 years of age



Source: TNS TCS Study

ALTO SALES (ANNUAL)

308,000 units of Alto sales in FY'12



Rounded off to nearest '000
Source: Company



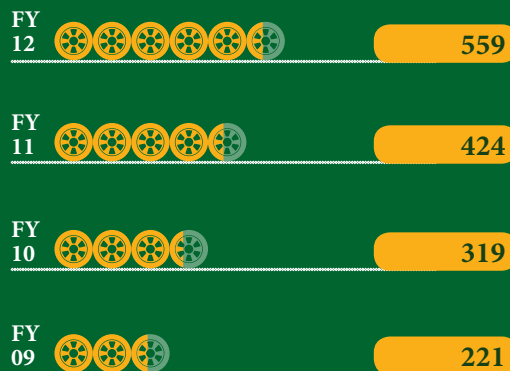
Mera Sapna Meri Maruti
One of India's most trusted brands, WagonR



... a favourite in the urban areas is just as popular in rural India. Initiatives like smaller format or E-outlets and Resident Dealer Sales Executives (RDSEs) have helped capture sales in the rural areas. Last year, close to 250,000 families realized their dream of owning a Maruti Suzuki brand car through such initiatives.

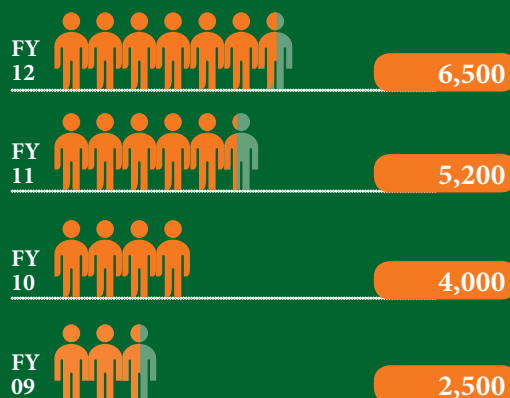
ADDITION OF E-OUTLETS

559 Maruti Suzuki E-outlets across India in FY'12



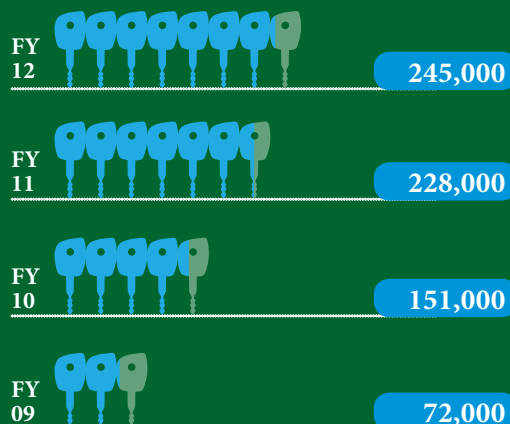
INCREASE IN RESIDENT DEALER SALES EXECUTIVES (RDSEs)

6,500 RDSEs representing Maruti Suzuki in India



TOTAL RURAL SALES

25% contribution of rural to total domestic sales



Rounded off to nearest '000
Source: Company



When performance is not negotiable

There are those who like their cars and
there are those who love them.



The Swift appeals to auto enthusiasts who take their wheels very seriously. An iconic brand, the Swift is credited with creating the premium hatchback category in India. It combines performance and sporty style. For the value-conscious, the Swift also offers an equally peppy diesel variant.

DIESEL PENETRATION IN PREMIUM HATCHBACK SEGMENT (INDUSTRY)

64% penetration of diesel cars in Premium Hatchback Segment in FY'12



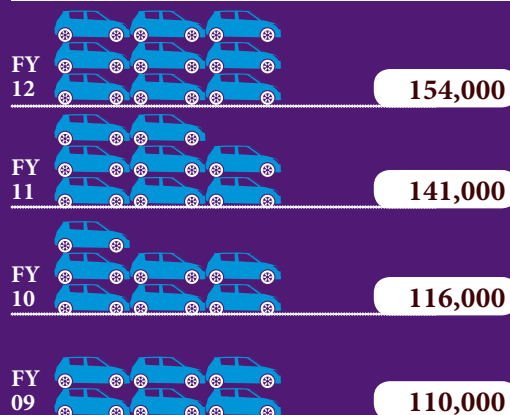
INCREASE IN DIESEL SALES FROM MSIL

20% increase in Diesel Sales from MSIL



SWIFT SALES (ANNUAL)

50% is the increase in sales with the launch of the New Swift



Rounded off to nearest '000
Source: Company



When you are moving
up in life, it shows

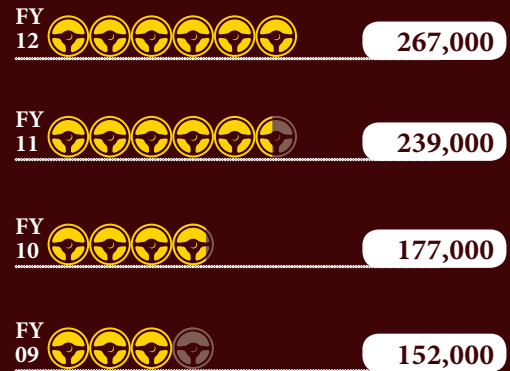
The joy of urban mobility never had a more
appropriate synonym.



The Swift DZire is fast emerging as a metaphor for success among upwardly mobile young couples in India. That is why they wait for months but don't compromise. Maruti Suzuki's TrueValue platform (Pre-owned car business) allows customers to derive maximum value from their old car and upgrade to a sedan such as the Swift DZire.

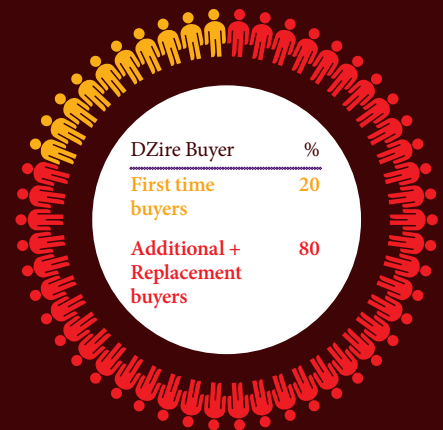
SALES OF ENTRY SEDANS (INDUSTRY)

12% increase in sales of entry sedans from FY'11 to FY'12



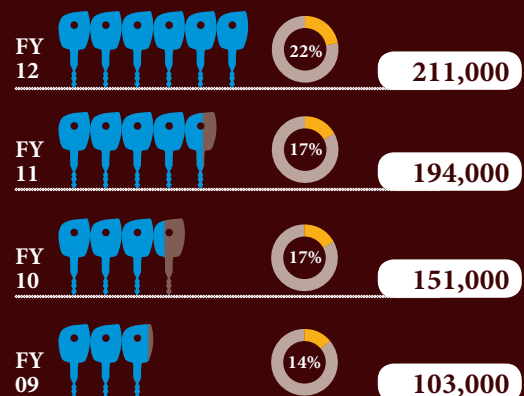
MOVING UP IN LIFE

1/3rd of DZire buyers replace their existing cars with a DZire



NEW CAR SALES THROUGH EXCHANGE

22% new car sales through exchange in FY'12



Rounded off to nearest '000
Source: Company



**A family that travels together
stays together**

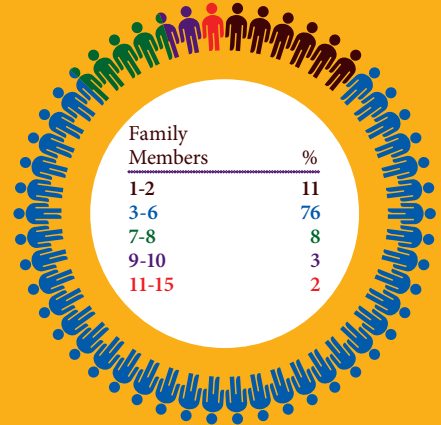
**The Ertiga created a new segment, best called
Life Utility Vehicles (LUV).**



It comfortably accommodates 7 people and offers flexi-seating options. Combining the best in comfort and performance, it is the right solution for families that travel. Average monthly sales of 5,500 units and pending bookings are a clear indication of the excellent customer response received by this product.

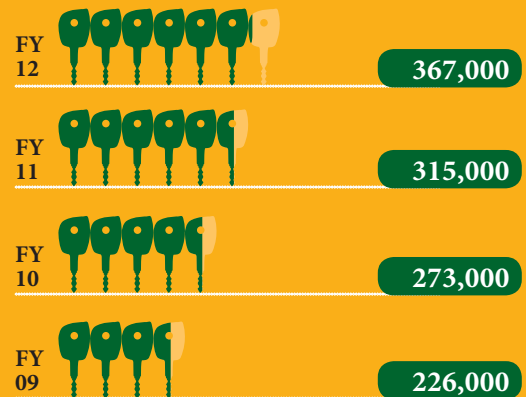
NO. OF MEMBERS IN INDIAN FAMILIES

76% Indian families comprise 3-6 members



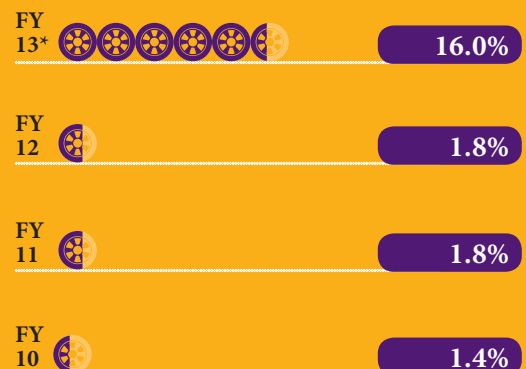
UTILITY VEHICLES SALES IN INDIA (ANNUAL)

16% growth in Utility Vehicle sales in FY'12 over FY'11



MSIL UTILITY VEHICLE MARKET SHARE

16% MSIL UV market share after the launch of Ertiga



Rounded off to nearest '000; *FY'13 figures till Q1
Source: IRS Study, SIAM, Company

Message from the Chairman



R. C. Bhargava
Chairman

Dear Shareholders,

I take pleasure in reaching you through this annual report. The year 2011-12 has been a difficult year, not only for your Company, but also for all the world economies as well as the Indian economy. The events of 2008-09 have not yet played out and the growth trajectory remains low everywhere. Even China has slowed down. Many countries in Europe have serious problems with their economies and the Euro periodically creates a major problem for central bankers and governments. We clap when there is a rescue act. The stock market remains volatile. During the year, crude prices increased sharply and the rising dollar created even more serious problems for us in India. The Yen, on its part, added to our difficulties and remained unreasonably strong. In Manesar, we experienced a strike which led to loss of production and market share. Thanks to the efforts and support from the State Government, as well as the

37.4%

In 2011-12, diesel car sales increased by 37.4%.

-13.7%

In 2011-12, petrol car sales declined by 13.7%

efforts of our own workers and executives, good sense prevailed and we are back to normalcy. I believe everyone has understood that good communication is the only way to ensure the prosperity of the workers and the Company.

The India political and economic scene became more difficult during the year. The government controlled the price of diesel, but let petrol prices rise in line with the landed rupee cost of international crude price. One impact of this policy was on your Company. The difference between diesel and petrol prices was about ₹ 10 per litre for a long number of years and we had never planned for diesel products to become the major selling item in our portfolio. But in 2011 and 2012 the price per litre of diesel and petrol widened to as much as ₹ 32 per litre and customers switched demand to diesel products. The consequences were obvious. In 2011-12 the Industry saw a 13.7 per cent decline in petrol car sales, while diesel car sales increased by 37.4 per cent. In Q1 of this year, the same trend continues. Petrol car sales have declined by 19 per cent while diesel car sales have increased by about 53 per cent.

We were already making diesel engines in SPIL. Now we are setting up another diesel engine plant of 300,000 annual capacity in Gurgaon and are proposing to merge SPIL with MSIL. Production would commence in 2013 and our capacity would become 600,000 in 2014. We are also buying 100,000 diesel engines a year from the FIAT plant in India. The government policy on fuel pricing, the extent of subsidy on diesel and the difference in petrol and diesel prices is yet to be clear. We have to work and grow in this atmosphere of uncertainty. As we plan our expansion for the future, we will have to factor in the likely diesel demand and provide for it.

At this point in time, the economy, the prospect of monsoons and of new investments and job creation in the country do not look very optimistic. Car sales are unlikely to even reach double digit growth this year. Meanwhile, your Company has a clear course of action. We are increasing diesel car production and will continue to introduce cars which strengthen our brand value for giving our customers products which are best suited to Indian conditions and which

give them best value for money over the life of the car. We will strengthen our sales and after sales network and increase focus on customers. The Indian customer has been very loyal to the Maruti brand and we will not let him down at any cost.

The Company has been built by its employees, its vendors and dealers and the support of you shareholders and the customers. All that we, as a Company, have learnt over these 30 years is what we have to use in these difficult times. We have to do everything with greater focus and attention to customer needs. We need to think long term and not be carried away by short term benefits. Complacency cannot have any place in our lives. And given the dedicated support which we enjoy from Suzuki Japan, I am sure that we will come out a stronger and more competitive company when the Indian economy again reaches its true growth potential.

R. C. Bhargava
Chairman

The Indian customer has been very loyal to the Maruti brand and we will not let him down at any cost.

The Company has been built by its employees, its vendors and dealers and the support of you shareholders and the customers.

Message from the Managing Director

The year 2011-12 was one of the most challenging years in Maruti Suzuki's history.

A macroeconomic slowdown, high interest rates and fuel prices, a market distortion owing to petrol and diesel pricing, lack of clarity on future government policy, a labour strike and adverse foreign exchange movement, all posed challenges in meeting sales volumes and profits and planning operations and capacities.

Even in future, though the Indian market will grow in the long term, the path might not be very smooth and could see a lot of business cycles and volatility. Government policy may have larger objectives, linkages and compulsions that industry will have to find its own way to meet situations. One has to look inward and the differentiating factor is management ability and commitment to handle adversity and keep the customer's interest supreme.



Maruti Suzuki has over the past three decades tried to give the best value to the customer.

S. Nakanishi
Managing Director & CEO

We do feel the trust and love of India when it decides to stay with us during uncertain times.

It is important that while serving society on mobility, we also serve the same society with safer roads, clean air to breathe and a friendly neighbourhood to the people around our plants. We expanded our safe driving training infrastructure and we now have 6 major institutes of driving and traffic research plus over 200 driving schools all over the country.

Despite adversity, the Company was able to take steps to strengthen the long term like launch modernized versions of its popular models Swift and DZire, enter the SUV/MUV space with a new model Ertiga, commission a second car plant at Manesar, start work on capacity increase in diesel while arranging supplies through outsourcing from Fiat. The Company also expanded its sales and service network, leveraged rural sales and stepped up efforts in localization by creating a dedicated organization for the purpose.

I do believe that the company has always been a very employee friendly organization and has created prosperity for its workmen while involving them in decision making and has benefitted from their commitment and competence. We had an unfortunate labour strike at our Manesar plant which impacted business in the short term, but led us to take measures that will benefit us in the long term.

It appears that with current government policy, objectives and compulsions, the Indian market would move towards more diesel vehicles. We tried to first meet demand through outsourcing diesel engines, but were later forced to take an in-house capacity expansion decision to meet this trend in the market. We are also thinking of restructuring our business to align ourselves with the market need. We apologize to our waiting customers and thank them for taking the pains to wait for their favourite models despite a lot of choices they

have in the marketplace. We are making all efforts to deliver their cars faster.

The Indian consumer is moving up fast and our latest models, the refreshed Swift, DZire and the new Ertiga have been enriched with contemporary features, technologies, styling and refinement. Maruti and Suzuki have always been able to provide more in a compact car to the Indian consumer. We will now provide more in compact SUVs and MUVs. With this we hope to compliment the lifestyles of a younger India and its feelings of freedom, adventure and self expression. This is being backed up by huge expansion in sales and service network, both in quantity and quality.

The component industry is the backbone of the automobile industry and all the technologies and features the car makers envisage have to be supported by them. Our engineers worked relentlessly through the year along with engineers of our component vendor partners to improve their levels of quality, manufacturing processes and systems, design capability and management bandwidth to give scalability to the industry. With a strong Yen and a depreciating rupee, localization will be under constant focus and monitoring.

It is important that while serving society on mobility, we also serve the same society with safer roads, clean air to breathe and a friendly neighbourhood to the people around our plants. We

expanded our safe driving training infrastructure and we now have 6 major institutes of driving and traffic research plus over 200 driving schools all over the country. With this infrastructure, we trained cumulatively more than 1 million people in safe driving, the highest by any agency in India. We are in discussion with the Ministry of Road Transport and Highways if this can be linked to issue of driving licenses. We recycle all our waste water and are constantly monitoring water consumption and CO₂ emission from our plants. Our employees are also volunteering their personal time to homes for destitute children, the lonely aged or the weaker sections of society in partnership with NGOs. I am hopeful it might help these sections of society to some extent but I am sure that it will help us more becoming better human beings.

Maruti Suzuki has over the past three decades tried to give the best value to the customer over the life cycle of his car ownership, give him cars that provide performance, styling, features and space, and give him honest aftermarket parts, servicing and pricing. We do feel the trust and love of India when it decides to stay with us during uncertain times. Good times or not so good, our management hopes to live up to this trust and love for all times to come, whatever it takes.

S. Nakanishi
Managing Director & CEO

Sustainability at Maruti Suzuki

Maruti Suzuki views sustainability in a holistic way

Since inception, the Company has embedded business ethics, good governance practices, stakeholder engagement and concern for the society and the environment into its business model. The Company has a tradition of including its business partners and other stakeholders in its growth journey. Besides core business areas, the Company supports its business partners in areas such as HR, occupational safety and environment.

The stakeholder-centric approach has helped the Company surmount various challenges, grow profitably and retain its leadership position in the market.

ECONOMIC SUSTAINABILITY

Maruti Suzuki's financial and investment decisions are made considering the long-term interest of the Company and its various stakeholders. The Company takes into consideration unmet customer needs, market growth potential, upcoming regulations and long-term sustainability. Investments made by the Company generate new opportunities for economic growth in the upstream and downstream value chain, creating employment and supporting the local economy.

Maruti Suzuki is a debt-free company and has healthy reserves and surplus. The expenditure on expansion projects are incurred from internal accruals. The Company has robust systems in place for timely payments to the suppliers

and service providers. The Company is concerned about the profitability and sustainability of its business partners and offers support in times of crisis.

The Company regularly reviews risks to its business and attempts to address them in a timely and appropriate manner, keeping in mind the stakeholder's concerns. The risk management process at the Company is undertaken by the Executive Risk Management Committee that is spearheaded by the Chief Risk Officer. Each division of the Company engages with the stakeholders relevant to its function and the divisional heads report the concerns of the stakeholders at the Business Review Meetings and Executive Risk Management Committee meetings.

SOCIAL SUSTAINABILITY

The Company faced an unfortunate labour unrest at its Manesar plant during the reporting year. The unrest impacted its operations for a few months. Based on the learnings from the unrest, the Company has further strengthened the engagement with the employees, especially the young workforce on the shop floor.

Occupational Health & Safety is a paramount concern at Maruti Suzuki and is a focus area of the top management. The Central Safety Leadership council, comprises of top management, reviews safety performance of the Company on a quarterly basis.

In 2011-12, the Company achieved two major milestones in occupational safety. It successfully implemented the OHSAS 18001:2007 standard across the Company and received the prestigious National Safety Award. The award recognises Maruti Suzuki's commitment towards occupational health and safety.



A TRAINED INSTRUCTOR TAKING A SESSION AT THE IDTR, LONI

In 2011-12, the Company achieved two major milestones in occupational safety
It successfully implemented the OHSAS 18001:2007 standard across the Company and received the prestigious National Safety Award.



SOLAR PANELS TO HARNESS SOLAR ENERGY AT MARUTI SUZUKI'S MANUFACTURING FACILITY

Maruti Suzuki is conscious of its responsibility towards the environment. The Company continuously works towards reducing its environmental footprint. In the reporting year, numerous initiatives were undertaken to reduce electricity and water consumption.

ENVIRONMENT SUSTAINABILITY

Maruti Suzuki's power consumption per car has reduced by nearly 30 per cent in the last decade at the Gurgaon unit, and by about the same percentage in the last five years at the Manesar unit. Aggressive focus and constant innovation has enabled the Company to reduce the per car water consumption by 61 per cent in the last decade in Gurgaon, and by about 56 per cent in the last five years in Manesar. However, lower production volumes, a new casting operation and a new manufacturing line at Manesar in 2011-12 caused a marginal increase in the overall per vehicle water and electricity consumption,

The Company is committed to offer environment-friendly products to its customers. All new models launched in 2011-12 were ELV compliant. The Company is working towards continuously improving the fuel efficiency of its fleet of cars. It is also working towards further developing hybrid and electric cars.



LAGOONS TO CAPTURE RAINWATER AT GURGAON FACILITY

compared to the previous year. For details on water and electricity consumption, please refer to page 66 of the report.

Exploring alternate and renewable sources of energy, the Company has harnessed solar power for street lighting and water heating at both its manufacturing units. The Company has planned to set up a 1 MW solar power plant at the Manesar unit.

Maruti Suzuki is a zero-water discharge company. The Company met 41 per cent of its total water requirement through recycled and reused water in the reporting year. Recycled water utilisation increased from 41 per cent to 44 per cent in the Gurgaon plant in the reporting year. The Company used treated effluent water for horticulture within its premises.

To reduce the consumption of raw materials, the Company sends sheet metal scrap from its press shop operations to suppliers for production of child parts. These parts are then used by the Company in car manufacturing. This process optimises utilisation of steel sheet. A total of 6,648 MT of metal scrap was sent to suppliers for making small components in the reporting year.

Maruti Suzuki has been sending hazardous waste such as paint sludge, phosphate sludge and ETP sludge to the cement industry for co-processing since 2010-11. This has eliminated the need for incineration and landfills. The saleable solid wastes such as metal scrap and glass waste are sold to recyclers.

The Company is committed to offer environment-friendly products to its customers. All new models launched in 2011-12 were ELV compliant. The Company is working towards continuously improving the fuel efficiency of its fleet of cars. It is also working towards further developing hybrid and electric cars.

Environmental concerns and business partners

The Company works closely with its suppliers on environmental issues. The Company encourages and supports its suppliers to implement Environment Management System. Experts from Maruti Suzuki visit joint venture companies for energy audits and suggest areas of improvement.

Similarly, the Company makes efforts to improve environmental performance of the service workshops. Automated Oil Management System, introduced in workshop to minimize oil spillage and to improve productivity, has been implemented in 502 workshops as on 31st March, 2012. Wind ventilators have been introduced to provide a cost effective and environment-friendly alternate for exhaust system. These equipment operate on zero external power, have very low noise levels and improve the overall environment conditions in the workshops.

↓ 30%

Power consumption per car has reduced by nearly 30% in the last decade at the Gurgaon unit, and by about the same percentage in the last five years at Manesar unit.

↑ 44%

Recycled water utilisation increased from 41% to 44% in the Gurgaon plant in the reporting year.

Sustainability at Maruti Suzuki



DRIVING TRAINING IN PROGRESS AT THE IDTR AT NEW DELHI



YOUNG BOYS UNDERGOING TECHNICAL TRAINING AT ITI, GURGAON

CORPORATE SOCIAL RESPONSIBILITY

Maruti Suzuki runs social programmes in line with its CSR Policy. Partnership is central to all social projects of the Company. The Company strongly believes that partnerships bring the best skills and talent on board and help in scaling up projects.

The Company's road safety programme, initiated in 2000, focuses on driver training to improve behaviour and driving skills. The Company has two models for imparting driving skills to existing and new drivers: Institutes of Driving and Traffic Research (IDTRs) and Maruti Driving Schools (MDSs). The Company trained over 1 million people in safe driving through its 6 IDTRs and 206 Maruti Driving Schools till 31st March, 2012. IDTRs are set up in partnership with the state governments and Maruti Driving Schools are set up in partnership with the dealers.

Road Safety Knowledge Centre, a new format in the Company's road safety initiatives, was added in the reporting year. At these Centres, a two-hour training session on road safety and traffic rules is held for all traffic violators. These Centres have been set up in the offices of the Traffic Police of Haryana state at Panipat, Gurgaon, Karnal and Faridabad cities.

National Road Safety Mission was launched as a time-bound programme by the Company in December 2008.

With this Mission, the Company committed to train 500,000 persons in safe driving in three years.

This programme was completed as per schedule in the reporting year.

National Road Safety Mission was launched as a time-bound programme by the Company in December 2008. With this Mission, the Company committed to train 500,000 persons in safe driving in three years. This programme was completed as per schedule in the reporting year. Of the 500,000 people trained, over 147,000 were from economically weaker sections. Their training was sponsored by Maruti Suzuki.

To bridge the gap between the industry requirement and people's skill set, Maruti Suzuki is partnering with the Government to upgrade the Industrial Training Institutes (ITIs). Most of these Institutes are old establishments offering training on old curriculum and machinery and providing little industry exposure. The Company is presently working with ten Government ITIs for overall institute upgradation. As part of affirmative action, Maruti Suzuki has consciously chosen to work with the ITI at Elathur, Kerala for Scheduled Caste and Scheduled Tribe community and the Women's ITIs at Gurgaon and Jhajjar, Haryana.

The Company undertakes several initiatives to improve the quality of education at the Institutes. These include repair and maintenance of classrooms, workshops, equipment and tools. The Company provides modern teaching materials and gives industry exposure to students and faculty. The curriculum at the Institutes is augmented with additional modules such as spoken English, interpersonal skills and work ethics. Training for teacher motivation, communication skills and technical knowledge is also organized.

Maruti Suzuki believes in working collaboratively with the community. The Company has been regularly engaging with four neighbouring communities in Manesar. In these communities, the government schools are important centres

of education and community connect. However most of them were found lacking in basic infrastructure. During the year, the Company upgraded infrastructure in two Government schools in Manesar. As a result of this, the government upgraded the primary schools of Aliyar-Dhana and Bass village to middle schools.

The Company runs a computer education centre to promote basic computer literacy for children at Aliyar village. Teachers identified from the village have been trained and employed to run the centre. The Company set up a new computer education centre within the premises of Alihar-Dhana school during the year.

To support first generation school-goers, the Company runs evening support classes at Baas and Kasan villages. During the reporting year, over a hundred children benefited from these regular academic inputs. Under its skill development programme, the Company sponsored the

driving training of 100 village youth at the Maruti Driving Schools in the year. Most of the young men are using this newly acquired skill to earn a living.

Maruti Suzuki runs volunteering programme for its employees. The programme, e-Parivartan, runs in partnership with local NGOs. In the reporting year, employees contributed 4,142 volunteering hours towards various social initiatives.

4,142

In the reporting year employees contributed 4,142 volunteering hours, through e-Parivartan, towards various social initiatives.



Board of Directors



**MR. KEIICHI
ASAI**

**MR. KAZUHIKO
AYABE**

**MS. PALLAVI
SHROFF**

**MR. DAVINDER
SINGH BRAR**

MR. O. SUZUKI

**MR. R. C.
BHARGAVA**

Director &
Managing
Executive Officer
(Engineering)

Director &
Managing
Executive Officer
(Supply Chain)

Director

Director

Director

Chairman

Audit Committee

Mr. Amal Ganguli – Chairman
Mr. Shinzo Nakanishi – Member
Ms. Pallavi Shroff – Member
Mr. Davinder Singh Brar – Member

Shareholders' and Investors' Grievance Committee

Mr. R. C. Bhargava – Chairman
Mr. Shinzo Nakanishi – Member
Mr. Davinder Singh Brar – Member
Mr. Kenichi Ayukawa – Member



MR. S.
NAKANISHI

MR. KINJI
SAITO

MR. TSUNEO
OHASHI

MR. AMAL
GANGULI

MR. MANVINDER
SINGH BANGA

MR. KENICHI
AYUKAWA

Managing Director
& CEO

Director

Director &
Managing
Executive Officer
(Production)

Director

Director

Director

Executive Officer (Legal) & Company Secretary

Mr. S. Ravi Aiyar

Auditors

Price Waterhouse

Chartered Accountants

Executive Management Team

Mr. S. Nakanishi
Managing Director & CEO



Administration (HR, IT, Finance & COSL)

Mr. S.Y. Siddiqui
Sr. Managing Executive Officer



Marketing & Sales

Mr. Mayank Pareek
Managing Executive Officer

Mr. T. Hashimoto
Executive Officer



Production

Mr. Tsuneo Ohashi
Director & Managing Executive Officer

Mr. M.M. Singh
Sr. Managing Executive Officer

**Engineering**

Mr. Keiichi Asai
Director & Managing Executive Officer

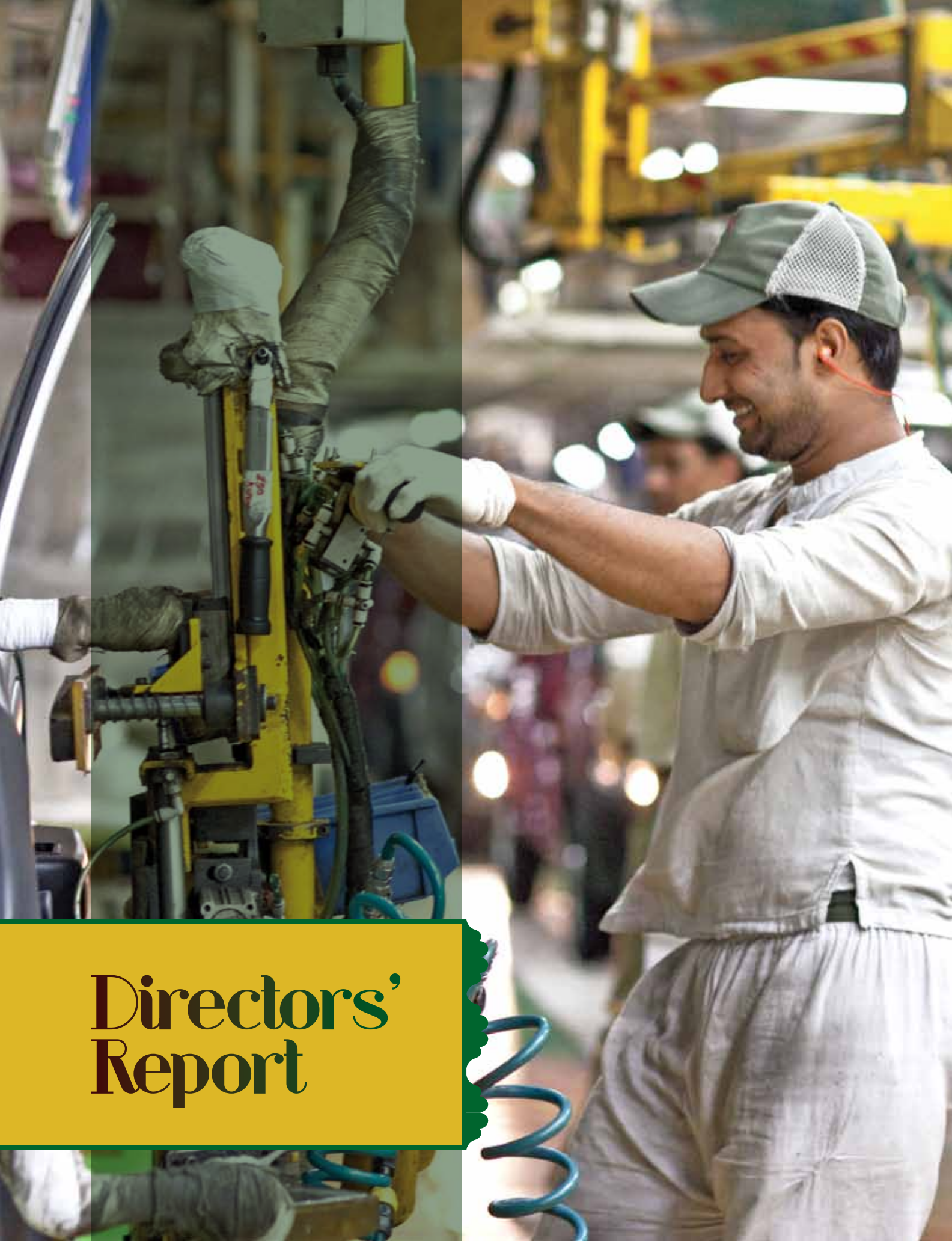
Mr. I.V. Rao
Sr. Managing Executive Officer

**Supply Chain**

Mr. Kazuhiko Ayabe
Director & Managing Executive Officer

Mr. Sudam Maitra
Sr. Managing Executive Officer





Directors' Report

Your directors have pleasure in presenting the 31st annual report together with the audited accounts for the year ended 31st March 2012.

FINANCIAL RESULTS

The Company's financial performance during the year 2011-12, as compared to the previous year 2010-11 is summarised below:

(₹ in million)

Particulars	2011 -2012	2010 -2011
Total revenue	364,139	371,272
Profit before tax	21,462	31,088
Tax expense	5,110	8,202
Profit after tax	16,352	22,886
Balance brought forward	118,578	100,499
Profit available for appropriation	134,930	123,385
Appropriations:		
General reserve	1,635	2,289
Proposed dividend	2,167	2,167
Corporate dividend tax	351	351
Balance carried forward to balance sheet	130,777	118,578

FINANCIAL HIGHLIGHTS

The total revenue (net of excise) was ₹ 364,139 million as against ₹ 371,272 million in the previous year showing a marginal decline of 1.92 per cent. Sale of vehicles in the domestic market was 1,006,316 units as compared to 1,132,739 units in the previous year. Total number of vehicles exported was 127,379 as compared to 138,266 in the previous year.

Profit before tax (PBT) was ₹ 21,462 million against ₹ 31,088 million and profit after tax (PAT) stood at ₹ 16,352 million against ₹ 22,886 million in the previous year.

DIVIDEND

The board recommends a dividend of ₹ 7.50 per equity share of ₹ 5 each for the year ended 31st March 2012 amounting to ₹ 2167 million.

OPERATIONAL HIGHLIGHTS

The operations are exhaustively discussed in the report on 'Management Discussion and Analysis' which forms part of this annual report.

CRISIL RATINGS

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

QUALITY

The Company has again been awarded ISO:27001 certification by STQC Directorate (Standardisation, Testing and Quality Certificate), Ministry of Communications and Information Technology, Government of India after re-assessment. The Company is thus certified to meet international standards for maintaining information security.

During the year, ISO 14001 re-certification audit was carried out by M/s AVI, Belgium and the auditors renewed the ISO 14001 certificate till 2014.

The quality management system of the Company is certified against ISO 9001:2008 standard. Re-assessment

of the quality systems are done at regular intervals by an accredited third party agency.

AWARDS/RECOGNITION/RANKINGS

- ✿ J D Power Customer Satisfaction Index (CSI) Study ranked the Company highest for the 12th time in a row.
- ✿ J D Power Asia Pacific 2011 India Vehicle Dependability Study ranked Zen Estilo and Swift DZire as the 'most dependable cars'.
- ✿ J D Power IQS ranked Zen Estilo and Swift DZire highest in the 'compact' and 'entry midsize' segment respectively.
- ✿ J D Power APEAL Study 2011 ranked Alto and Zen Estilo highest in the 'compact' segment. Swift DZire received an award in the 'entry midsize car' segment for a fourth consecutive year.
- ✿ CNBC TV 18 Overdrive awarded 'Compact Car of the year 2012' to new Swift.
- ✿ NDTV CNB's 'Premium hatchback of the year' awarded to new Swift.
- ✿ BBC India Top Gear's 'Small car of the year 2011' awarded to new Swift.
- ✿ ICOTY 2012 'Indian Car of the Year 2012' awarded to new Swift.
- ✿ Bloomberg UTVi's 'Compact Car of the Year' awarded to new Swift.

Mr. R. C. Bhargava, Chairman was bestowed with 'The Order of the Rising Sun, Gold and Silver Star' by His Majesty Emperor Akihito of Japan.

SUBSIDIARY COMPANIES AND THEIR ACCOUNTS

The Company's subsidiaries which were engaged in the business of insurance distribution in the past generated an investment income of ₹ 163.80 million including a dividend income of ₹ 28.65 million and long term capital gain of ₹ 129.13 million through mutual funds.

The Company's subsidiary 'True Value Solutions Limited' has contributed towards smooth operations of business processes and supported the dealerships in enhancing the

sale of certified pre-owned cars under the brand 'Maruti True Value'. It has contributed significantly to the efforts of customer retention by facilitating sale and re-purchase of new cars through exchange and has made significant contribution towards enhancing dealers' profitability.

In terms of the general circular dated 8th February 2011 issued by the Government of India, Ministry of Corporate Affairs, the balance sheets, profit & loss accounts, reports of the board of directors and auditors of the subsidiary companies have not been attached with the balance sheet of the Company. Annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the Company and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be available for inspection by any shareholder at the head office of the Company and of the subsidiary companies. Hard copy of details of accounts of subsidiaries shall be furnished to any shareholder on demand. Further, pursuant to Accounting Standard - 21 issued by the Institute of Chartered Accountants of India, consolidated financial statements presented by the Company include the financial information of its subsidiaries.

HUMAN RESOURCE DEVELOPMENT

The Company provides tremendous learning and development opportunities to its employees starting from induction and orientation when a new employee joins the Company. The Company believes that to have a sustainable competitive advantage in the new knowledge economy, learning would be the key catalyst for an organisation's survival and success. The Company's extensive training calendar encompasses training programs for all categories of employees i.e. associates, supervisors and those at junior, middle, senior and top management level. To have a well rounded development of employees, the training calendar comprises of behavioral, functional and safety trainings. The training programmes vary according to the need of the employees at various levels and business requirements and are designed after doing a thorough process of three stage need identification.

In 2011 - 12, a total of 47,000 man-days of training were conducted for employees across all the levels. This translates to an average of 5.15 days of training per employee.

Functional and technical trainings form an important part of the Company's annual training calendar as they are directly linked with employees' on the job performance. These trainings are imparted by in-house subject matter experts as well as by external trainers. Some of the functional trainings imparted internally are 3G, 3K, 5S, DFMEA and QC tools. Few functional trainings which are being done by external trainers are finance for non-finance, six sigma, project management, inventory & warehouse management, world class manufacturing practices, auto cad, MS excel, etc.

Behavioral trainings also form a considerable portion of the training calendar and include trainings like negotiation skills, problem solving & decision making skills, presentation & communication skills, conflict management & resolution, assertiveness & self confidence, time management & multi tasking skills, leading effectively, inter personal relationships, etc.

The Company also has higher education schemes for its employees. It helps not only to groom and retain high potential young managers but also enables employees to fulfill their career enhancement aspirations. The scheme includes programs like – executive MBA (full time and part time) at select campuses. The scheme is available for employees at levels of assistant managers to managers and is guided by eligibility and selection criteria.

DIRECTORS

Mr. R. C. Bhargava, Mr. Kazuhiko Ayabe and Ms. Pallavi Shroff, directors of the Company, retire by rotation at the ensuing annual general meeting and being eligible, offer themselves for re-appointment. Mr. Shuji Oishi resigned from the post of Director and Managing Executive Officer (Marketing & Sales) with effect from the close of the business hours of 27th April 2012. Mr. Kazuhiko Ayabe was appointed as Director and Whole-time Director designated as Director & Managing Executive Officer (Supply Chain) with effect from 28th April 2012 subject to the approval of the shareholders in general meeting to fill the casual vacancy caused by the resignation of Mr. Shuji Oishi. Mr. Kinji Saito was appointed as an Additional Director and he holds office upto the date of the 31st annual general meeting of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, your directors confirm:

- a) that there were no material departures in the applicable accounting standards followed while preparing the annual accounts;
- b) having selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) having taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) having prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed as Annexure A.

PERSONNEL

As required by the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in Annexure B to the Directors' Report. However, as per the provisions of section 219(1)(b)(iv) of the Companies Act, 1956, the annual report is being sent to all the shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

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

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements, as stipulated under clause 49 of the listing agreement and the stipulated certificate of compliance is contained in this annual report.

AUDITORS

The auditors, M/s Price Waterhouse, Firm Registration Number FRN301112E, Chartered Accountants, hold office until the conclusion of the ensuing annual general meeting and are recommended for re-appointment. A certificate from the auditors has been received to the effect that their re-appointment, if made, would be in accordance with section 224 (1B) of the Companies Act, 1956.

COST AUDITORS

In conformity with the directives of the Central Government, the Company has appointed M/s R. J. Goel & Co., cost accountants, as the cost auditors under section 233B of the Companies Act, 1956 for the audit of the cost accounts for the motor vehicles business for the year ending on 31st March 2013. The due date of filing the cost audit report for the financial year 2010-11 was 30th September 2011. This report was filed on 13th September 2011 with the Ministry of Corporate Affairs.

ACKNOWLEDGMENT

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

For and on behalf of the board of directors

Shinzo Nakanishi
Managing Director & CEO

R. C. Bhargava
Chairman

New Delhi
29th May 2012

Annexure A

Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors' Report for the year ended 31st March 2012.

A. ENERGY CONSERVATION

The Company continued its energy conservation drive more prominently through various energy saving activities and adaptation of new technology. Energy saving initiatives throughout the plant helped the Company in reducing energy consumption by 2 per cent in most of the areas. Some of the activities carried out during the year towards environment, energy and water conservation are mentioned under:

- ✿ Fluidised bed type incinerator was installed in Manesar plant for cleaning of paint booth gratings instead of direct burning type incinerator to reduce emission.
- ✿ In order to utilise the exhaust gases of the Gas Turbine Generators (GTGs), Waste Heat Recovery Boilers (WHRB) & Steam Turbine Generators (STGs) were installed in Gurgaon plant which will reduce the cost of energy by 20 per cent.
- ✿ Newly built plant at Manesar was designed in a special way so as to make maximum use of natural light.
- ✿ New generation Electro Deposition (ED) paint coating on car body was introduced which operates at low voltage and thus consumes less energy.
- ✿ Gravity conveyors were used in weld shop.
- ✿ Light Emitting Diodes (LED) lights were used in shop floors in stockyards, Manesar and Gurgaon plant.
- ✿ Aerodynamic energy efficient Fibre Reinforced Plastic (FRP) blades were used in lieu of standard blades for cooling towers which consume less energy.
- ✿ Voltage was optimised in shops for lighting and motor loads.

- ✿ Improvement was achieved in efficiency of air washers by replacing spray zone with celdec media.
- ✿ Desiccant type air dryers were introduced to reduce energy consumption.
- ✿ Direct cooling type system was introduced for air conditioning system.
- ✿ Utilisation of cooling towers was optimised.
- ✿ Energy efficient motors were used in water treatment plant at Manesar.
- ✿ Use of natural light was substituted for artificial lights for achieving energy saving.
- ✿ Air cooled cooling towers were used in Gurgaon and Manesar plants.
- ✿ Air cooled air dryers were used in compressed air plant.
- ✿ Usage of recycled water was increased in lieu of fresh water.

B. RESEARCH & DEVELOPMENT

The Company's R&D team has been working with the following vision - "Build on our engineering skills to design and develop cars to delight the Indian consumer and establish Maruti as the R&D hub of Suzuki Motor Corporation (SMC) in Asia outside Japan."

The Company has envisioned the path of achieving the vision through:

- ✿ New model and minor change design and development; and
- ✿ Engineering capability development for design and development of full body change.

The Company has taken every possible step to scale up its R&D strength and infrastructure.

Skilled manpower is the key for achieving the goals of any company. The Company has increased the strength of R&D manpower from 1070 numbers in 2010-11 to 1210 numbers in 2011-12. The Company has a plan of increasing this manpower from 1210 numbers to more than 1400 numbers in 2012-13.

As a part of capability enhancement, engineers from the Company are trained at Suzuki Motor Corporation, Japan in respective areas.

The previous year was a significant year for the Company in terms of investments in new facilities. The Company has started its work for new world class testing and evaluation facility at Rohtak, Haryana. The Company's R&D center at Rohtak will be equipped with latest R&D infrastructure and world class test tracks. This is a significant step for development of future new models.

New state of the art testing facilities and equipment have been set up for evaluation of new generation engines. In order to meet the future emission regulations, testing facilities have been set up for both diesel and petrol engine evaluation. Reduction of friction in the engine is one of the important measures for improving the fuel efficiency. New facilities have been set up for analysing and building capability for reduction of the friction in engine parts. In pursuit of giving best in Noise Vibration & Harshness (NVH) performance, a new facility has been set up for analysing the NVH performance of the vehicles.

Apart from the facilities, the Company has also consistently focused on increasing the R&D efficiency through the implementation of new softwares and systems as under:

Integrated bill of material: Different stages of preparation of bill of material have been reduced by implementation of integrated bill of material that has resulted in efficient and effective management.

Project management software: It has been implemented for improving process efficiency during product development cycle. All the sourcing and development activities have been integrated using single software for efficient coordination and monitoring.

Knowledge enhancement and cost awareness: Teardown and benchmarking activity was taken up as a uniform and focused approach to keep the Company updated on the emerging technologies and design solutions. The gathered knowledge was provided at a click of button to the Company's engineers through teardown management system.

Specific areas in which R&D has been carried out

- a. Significant efforts have been taken in preparation of product road map, product specification, tracking of new technology and its implementation. Market research activities are periodically conducted to capture customer voice and incorporate customer feedback in the existing and future products.
- b. Enhancement of focus on capturing design trends for producing exterior and interior designs which depict the right design language suiting the taste of Indian consumers and thus resulting in a right product for the Indian market. Capability enhancement was done in designing and showcasing new concept models. As a step towards this, the Company showcased the concept XAa in 2012 Auto Expo held in Delhi. The concept XAa combines the traditional attributes of a Sports Utility Vehicle (SUV) with elegance and compactness.
- c. Capability development has been made in the areas of vehicle ergonomics, human engineering and competitor vehicle benchmarking. Simulation softwares of virtual human ergonomics have been implemented for incorporating ergonomic requirements at the design phase itself.
- d. In order to meet growing demand for fuel efficient vehicles, R&D has done significant work in the implementation of new technologies like Variable Valve Timing (VVT) and development of low friction valves and low viscosity oils.
- e. To reduce the overall development time, capability development has been done in the areas of virtual validation for transmission design.
- f. Research in the area of new materials i.e. steel and polymer for Body in White (BIW) and interior parts has helped in using stronger, lighter and safer materials. High strength steel usage in BIW has been implemented in many models. In parts design and development, new technologies like tailored welded blanks are being considered for cost efficiency and weight reduction. For improving the quality and antirust performance, more GA (Galvanised) steel usage has been implemented.

- g. Capability up-gradation has been done in areas of brake design and development to meet growing expectations and rigorous demands of brake system in India's traffic conditions. Rear torsion beam of new Swift, DZire and Ertiga have been designed with low weight maintaining higher torsion rigidity than conventional design. The formed, high tensile pipe profile optimises weight and vehicle performance. New Swift (Gasoline) is equipped with shudder less angular contact joints having superior plunging and NVH performance at higher working angles.
- h. The design prototype capability has been enhanced to include complete body shell and vehicle build for full body change. Capability development has been done in areas of building vehicles with alternative engineering specifications (body structures, materials, configuration etc.) for design and product optimisation.
- i. Cost control is one of the major activities under constant focus in R&D. For new models, detailed feasibility analysis is done and stringent cost targets are set up. Raw material, commodities and foreign exchange fluctuations during the project life cycle are closely monitored and corrections are done to meet the cost targets. In order to reduce costs right from concept stage, cost analysis and design to cost techniques have been adopted. Value Engineering (VE) ideas of the Company's engineers and also the suppliers have been incorporated at the design stage itself. Focus on incorporating India specific cost reduction ideas right at the design stage for global models is helping the Company in achieving stricter target costs. For existing models, focused activities for cost down were taken up in various models by cross functional teams to provide the higher value products. To de-risk from foreign exchange exposure and to reduce supplier cost substantially, the localisation of supplier's imported parts was taken up as a planned activity. The Company saved ₹ 80.73 crores by localisation and ₹ 128.48 crores from implementation of Value Analysis/Value Engineering (VA /VE) proposals.
- j. Experimental projects in the field of hybrid / electric vehicle were taken up by the Company. Subsequent to the demonstration of SX4 hybrid and EECO electric demonstration at the Common Wealth Games 2010, various study projects were taken up in the field of Electric Vehicles – Hybrid Electric Vehicles (EV-HEV) to improve design capability.

Benefits derived as a result of above R&D

New launches

- Launch of new Swift and new Swift DZire.
- Showcase of Ertiga in Auto Expo held in Delhi.
- Launch of model A-Star with minor change.
- Showcase of XAa concept in Auto Expo held in Delhi.
- Filing of 25 patents by R&D in India.

Future plan of action

The Company will continue to introduce new products to meet growing customer expectations. The existing products will be refreshed at regular intervals to suit the upcoming trends. The Company is pro-actively working on increasing the fuel efficiency of all its models to offer affordable and environment friendly vehicles to the customers. One of the significant steps is to introduce alternate fuel options like Liquefied Petroleum Gas (LPG) and Compressed Natural Gas (CNG) in the Company's vehicles. The Company will continue to focus on developing more products with alternate fuel options. In the long term, the Company is focusing on enhancing the capability in the field of EV-HEV and other environment friendly initiatives. Another step towards making vehicles more affordable is by maintaining the vehicle cost through VA/VE and weight reduction activities. The Company is continuously working on alternate materials and newer technologies to reduce the vehicle cost and weight. Safety of the customers is of primary importance to the Company. The Company is focusing on new technologies to enhance the safety of the occupants and also meet the future safety regulations.

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Efforts in brief made towards technology absorption, adaptation and innovation

- ✿ Design of components and systems including design review process.
- ✿ Component and sub component level localisation, development and testing of parts for existing and new models.
- ✿ Capabilities enhanced in component and vehicle evaluation, benchmarking and design optimisation.
- ✿ Capabilities being further enhanced in area of alternative fuels.
- ✿ Value Engineering (VE) at the time of new model design to maximise cost benefit.
- ✿ Capability enhanced in the development of new technologies at affordable prices.

Benefits derived as a result of the above efforts

The Company was able to achieve high level of localisation in all the models resulting in reduction of cost. The Company was also able to offer new technologies benefiting its customers. The Company has also worked significantly in the areas of fuel efficiency and weight reduction.

Technology inducted

The Company has been a pioneer in offering latest technologies at affordable prices to its customers. As a market leader, the Company intends to keep this momentum in future. Some of the steps taken in this direction are as under:

- ✿ The all new powerful and light weight K14 engine was introduced in Ertiga. The engine is an extension of the successful K-series line-up.
- ✿ New Swift and Swift DZire were made equipped with 'detent pin technology' for improving the shift comfort. This has helped in enhancing the customer satisfaction.

✿ New Swift, Swift DZire and Ertiga were made equipped with new generation Anti-lock Braking System (ABS) which is the smallest and lightest system in the Company's line-up. New technology Engine Drag Control (EDC) was introduced which proves the technological superiority of the Company's vehicles. The EDC prevents locking of driving wheels due to engine braking, thereby ensuring the drivability and steerability while braking in slippery conditions.

✿ New Swift and DZire were made equipped with the latest 3rd generation wheel bearing units. It brings a reduction of over 20 per cent in weight over first generation unit with additional advantages of controlled pre-loading, enhanced rigidity and improved bearing performance.

✿ Fuel efficiency of the vehicles being the prime focus, Variable Value Timing (VVT) was introduced in gasoline versions of new Swift, new DZire and Ertiga to improve the fuel efficiency and performance. Other measures like valve train friction reduction in K12 and K14 engines and introduction of low viscosity engine oils in diesel engines have been taken to improve the fuel efficiency.

✿ The Company has always been the forerunner in implementing new environment friendly measures. New Swift and Swift DZire are compliant with On Board Diagonosis (OBD) -II Regulations and thus are much ahead of the requisite time of implementation of these regulations i.e. April 2013.

Year of Import: 2011-12

Status of absorption: Above technologies have been used in products introduced during the year.

Expenditure incurred on R&D

(₹ in million)

Particulars	2011-12	2010-11
A Capital Expenditure	1,491	2,316
B Recurring Expenditure	2,204	1,847
TOTAL	3,695	4,163
Total R&D expenditure as a percentage of total income	1.01%	1.12%

D. FOREIGN EXCHANGE EARNINGS & OUTGO (ACCRUAL BASIS)

(₹ in million)

Particulars	2011-12	2010-11
Foreign exchange used: equivalent		
Raw materials and components	30,451	29,691
Capital goods	11,625	8,250
Dies & moulds, maintenance spares & other items	1,147	1,103
Royalty, interest, dividend and others	25,564	24,323
Foreign exchange earned: equivalent	36,918	34,988

Activities relating to exports

- i) Initiatives taken to increase exports: The Company exported a total of 127,379 units during the year. While the exports to non-

European markets increased from 79,047 units to 84,332 units, total exports crossed a landmark of 950,000 units.

- ii) Development of new export markets for products and services: The Company focused on introducing products in new markets. Two new markets i.e. South America Columbia and Dominican Republic were started.
- iii) Export plans for future: The focus will be on export of small cars in 2012-13 considering the macroeconomic and socio-political conditions globally.

For and on behalf of the board of directors

Shinzo Nakanishi
Managing Director & CEO

New Delhi
29th May 2012

R. C. Bhargava
Chairman



Corporate Governance Report

CORPORATE GOVERNANCE PHILOSOPHY

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

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

MANAGEMENT STRUCTURE AND SHARED LEADERSHIP

The Company has a multi-tier management structure having the board of directors at the top. The Company has five business verticals viz. Administration, Production, Engineering, Supply Chain and Marketing & Sales. The top level management of these verticals is headed by a team of two persons, one of whom is a Japanese manager and the other, an Indian manager. The Indian managers at the top management level are designated as 'Senior Managing Executive Officer' (SMEO) and 'Managing Executive Officer' (MEO). The SMEOs and MEOs are supported by Executive Officers (EOs) who are also part of the top management. The board meetings of the Company mark the presence of all the SMEOs, MEOs and EOs, as they act as a channel

between the board above them and the employees working under them. This structure not only allows easy and quick communication of field information to the board members but also gives them the opportunity to give recommendations relevant to their business operations. The Executive Officers are followed by Divisional Heads and Departmental Heads. Through this, it is ensured that:

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

BOARD OF DIRECTORS

Composition of the board

As on 31st March 2012, the Company's board consists of eleven members. The chairman of the board is a non-executive director. The Company has an optimum combination of executive and non-executive directors in accordance with the provisions of clause 49 of the listing agreement. The board is having four executive directors and seven non-executive directors, of whom four are independent directors. Their composition is given in Table 1. No director is related to any other director. All independent directors are persons of eminence and bring a wide range of expertise and experience to the board thereby ensuring best interest of stakeholders and the Company.

Table 1: Composition of the board as on 31st March 2012

S.No.	Name	Category	No. of other directorship(s)		1No. of other committee(s)	
			Public	Private	Member	Chairman
1	Mr. R. C. Bhargava	Chairman, non-executive	9	1	5	4
2	Mr. Shinzo Nakanishi	Managing Director and CEO, executive	4	-	1	-
3	Mr. Tsuneo Ohashi	Executive	2	1	1	-
4	Mr. Shuji Oishi	Executive	-	-	-	-
5	Mr. Keiichi Asai	Executive	2	-	-	-
6	Mr. Osamu Suzuki	Non-executive	1	-	-	-
7	Mr. Kenichi Ayukawa	Non-executive	-	-	-	-
8	Mr. Amal Ganguli	Independent	10	4	5	4
9	Ms. Pallavi Shroff	Independent	2	3	-	-
10	Mr. Manvinder Singh Banga	Independent	-	-	-	-
11	Mr. Davinder Singh Brar	Independent	1	11	2	-

- Foreign companies, private limited companies and companies under section 25 of the Companies Act, 1956 are excluded for the purpose of considering the limit prescribed under clause 49 (I) (C) of the listing agreement. The committees considered for the purpose are audit committee and shareholders' grievance committee as prescribed under clause 49(I) (C) of the listing agreement.
- None of the directors holds equity shares in the Company.

BOARD MEETINGS

The board met five times during the year on 25th April 2011, 26th July 2011, 29th October 2011, 23rd January 2012 and 24th March 2012. The board meets at least once in a quarter with a gap of not more than four months between any two meetings. However, additional meetings are held, whenever necessary. Table 2 gives the attendance record of the directors at the board meetings as well as the last annual general meeting (AGM).

In terms of clause 49 of the listing agreement:

- None of the directors was a member of more than 10 committees or chairman of more than 5 committees across all companies in which he/she is a director.

Table 2: Board meeting and AGM attendance record of the directors in 2011 – 2012

Name	Number of meetings attended	Whether attended
	(Total meetings held: 5)	last AGM
Mr. R.C. Bhargava	5	Yes
Mr. Shinzo Nakanishi	5	Yes
Mr. Shuji Oishi	5	Yes
Mr. Tsuneo Ohashi	5	Yes
Mr. Keiichi Asai	4	Yes
Mr. Osamu Suzuki	0	Yes
Mr. Kenichi Ayukawa	1	Yes
Ms. Pallavi Shroff	1	No
Mr. Amal Ganguli	5	Yes
¹ Mr. Manvinder Singh Banga	0	No
Mr. Davinder Singh Brar	4	No

¹Mr. Manvinder Singh Banga attended two board meetings through teleconference during the year

Corporate Governance Report

Information supplied to the board

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

- ✿ Annual operating plans, capital and revenue budgets and updates;
- ✿ Quarterly results of the Company and its operating divisions or business segments;
- ✿ Minutes of the meetings of the audit committee and other committees of the board;
- ✿ Information on recruitment and remuneration of senior officers just below the board level including appointment or removal of chief financial officer and company secretary;
- ✿ Materially important show cause, demand, prosecution and penalty notices;
- ✿ Fatal or serious accidents and dangerous occurrences;
- ✿ Any materially significant effluent or pollution problem;
- ✿ Any material relevant default in financial obligation to and by the Company or substantial non-payment for goods sold by the Company;

- ✿ Any issue which involves possible public or product liability claims of a substantial nature;
- ✿ Details of any joint venture or collaboration agreement;
- ✿ Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- ✿ Significant labour problems and their proposed solutions;
- ✿ Any significant development in the human resources and industrial relations front;
- ✿ Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business;
- ✿ Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement; and
- ✿ Non-compliance of any regulatory, statutory nature or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.

Remuneration to directors

Table 3 gives details of the remuneration for the financial year ended 31st March 2012. The Company did not advance any loans to any of its directors in the year under review.

Table 3: Details of remuneration for the financial year ended 31st March 2012

	Salary & Perquisites (₹)	*Performance Linked Bonus (₹)	Sitting Fees (₹)	**Commission (₹)	Total (₹)
Mr. Shinzo Nakanishi	20,107,995	8,030,220			28,138,215
Mr. Keiichi Asai	14,209,940	5,654,550			19,864,490
Mr. Kenichi Ayukawa			20,000		20,000
Mr. Shuji Oishi	14,061,597	5,654,550			19,716,147
Mr. Tsuneo Ohashi	14,697,755	5,654,550			20,352,305
Mr. R. C. Bhargava			140,000	3,300,000	3,440,000
Mr. Amal Ganguli			240,000	2,000,000	2,240,000
Ms. Pallavi Shroff			60,000	600,000	660,000
Mr. Manvinder Singh Banga				300,000	300,000
Mr. Davinder Singh Brar			240,000	1,500,000	1,740,000
TOTAL (₹)	63,077,287	24,993,870	700,000	7,700,000	96,471,157

*The performance linked bonus is subject to the approval of the board of directors.

** The commission is subject to the approval of the members.

The performance criteria for the purpose of payment of performance linked bonus as defined by the board for the whole-time directors including managing director is as under:

- a) Actual achievement in terms of growth in sales, profit, etc. as compared to the previous year;
- b) Actual achievement of growth as compared to the budget approved at the beginning of the year; and
- c) Growth of market share of the Company's products as compared to key competitors in the industry.

No employee of the Company is related to any director of the Company.

Remuneration of the non-executive directors

Members of the Company had approved payment of remuneration by way of commission to non-executive directors at a sum not exceeding 1 per cent of the net profits of the Company subject to a ceiling of ₹10 million per annum. As approval was valid for a period of five years, a fresh proposal is being put up before the members for their approval in the forthcoming annual general meeting. The payment of commission is based on criteria such as attendance at the board/ board level committee meetings, time devoted, current trends prevailing in the industry, etc.

Sitting fee is also paid to the non-executive directors for attending board and committee meetings.

COMMITTEES OF THE BOARD

I. Audit Committee

Composition

Table 4 shows the composition of the audit committee. All the members of the audit committee are financially literate and Mr. Amal Ganguli, the Chairman, has expertise in accounting and financial management. The Chairman attended the last annual general meeting to answer shareholders' queries.

Table 4: Composition of audit committee

Name	Category	Designation
Mr. Amal Ganguli	Independent	Chairman
Mr. Shinzo Nakanishi	Executive	Member
Mr. Davinder Singh Brar	Independent	Member
Ms. Pallavi Shroff	Independent	Member

The chief financial officer, the head of internal audit and the representative of the statutory auditors, internal auditors and cost auditors are permanent invitees to the audit committee. The Company secretary acts as the secretary to the audit committee. Other directors and members of the management are also invited as may be required from time to time.

Role

The role of the audit committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.
3. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
4. Reviewing, with the management, the quarterly/ annual financial statements before submission to the board for approval.
5. Reviewing with the management, performance of statutory and internal auditors, the adequacy of internal control system.
6. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official

heading the department, reporting structure coverage and frequency of internal audit.

7. Discussion with internal auditors about any significant findings and follow up thereon.
8. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
10. Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
11. Reviewing the functioning of the whistle blower mechanism on a regular basis.
12. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
13. Reviewing, with the management, the statement of uses / application of funds, if any raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
14. Approval of appointment of the Chief Financial Officer (the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Reviewing any other matter which may be specified as role of the audit committee under the amendments, if any, from time to time, to the listing agreement, Companies Act, 1956 and other statutes.

Meetings

The audit committee met seven times in the year under review on 12th April 2011, 25th April 2011, 18th July 2011, 26th July 2011, 5th September 2011, 29th October 2011 and 23rd January 2012. Table 5 gives the details of attendance of audit committee members.

Table 5: Attendance record of the members of the audit committee

Name	Category	Meetings attended in 2011 – 12 (Total meetings held: 7)
Mr. Amal Ganguli	Chairman	7
Mr. Shinzo Nakanishi	Member	7
Mr. Davinder Singh Brar	Member	7
Ms. Pallavi Shroff	Member	2

II. Shareholders' / Investors' Grievance Committee

Composition

Table 6 shows the composition of the shareholders' / investors' grievance committee of the Company. Mr. R. C. Bhargava, the Chairman of this committee attended the last annual general meeting to address shareholders' queries.

Table 6: Composition of shareholders'/investors' grievance committee

Name	Category	Designation
Mr. R.C. Bhargava	Non-Executive	Chairman
Mr. Shinzo Nakanishi	Executive	Member
Mr. Davinder Singh Brar	Independent	Member
Mr. Kenichi Ayukawa	Non-Executive	Member

The Company secretary acts as the secretary to the committee.

Objective

The committee oversees redressal of shareholders' and investors' grievances, transfer of shares, non - receipt of annual report, non - receipt of declared dividends and related matters. The committee also oversees the performance of the registrar and transfer agent, recommends measures for overall improvement in the quality of investors' services, approves issue of duplicate / split / consolidation of share certificates and reviews all matters connected with the securities' transfers.

In order to provide efficient and timely services to investors, the board has delegated the power of approval of issue of duplicate / split / consolidation of share certificates, transfer of shares, transmission of shares, dematerialisation / rematerialisation of shares not exceeding 2000 equity

shares per transaction to the managing director, director & managing executive officer and company secretary severally.

Meetings

During the year, shareholders'/investors' grievance committee met twice i.e. on 25th April 2011 and 29th October 2011. Table 7 gives the attendance record.

Table 7: Attendance record of the members of the shareholders' / investors' grievance committee

Name	Meetings attended in 2011 – 12 (Total Meetings held: 2)
Mr. R.C.Bhargava	2
Mr. Shinzo Nakanishi	2
Mr. Davinder Singh Brar	1
Mr. Kenichi Ayukawa	-

Investor grievance redressal

During the year, 22 complaints were received and resolved. No transfer of shares was pending as on 31st March 2012.

MANAGEMENT

Management discussion and analysis report

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

Disclosures made by the management to the board

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

Related party transactions

None of the transactions with any of the related parties was in conflict with the interests of the Company. Details of transactions between the Company and its subsidiaries, fellow subsidiaries, joint ventures, associates during 2011-

12 are given in note no. 52 to the annual accounts.

All related party transactions are negotiated on an arm's length basis and are in the interests of the Company.

Code of conduct for the board of directors and senior management personnel

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

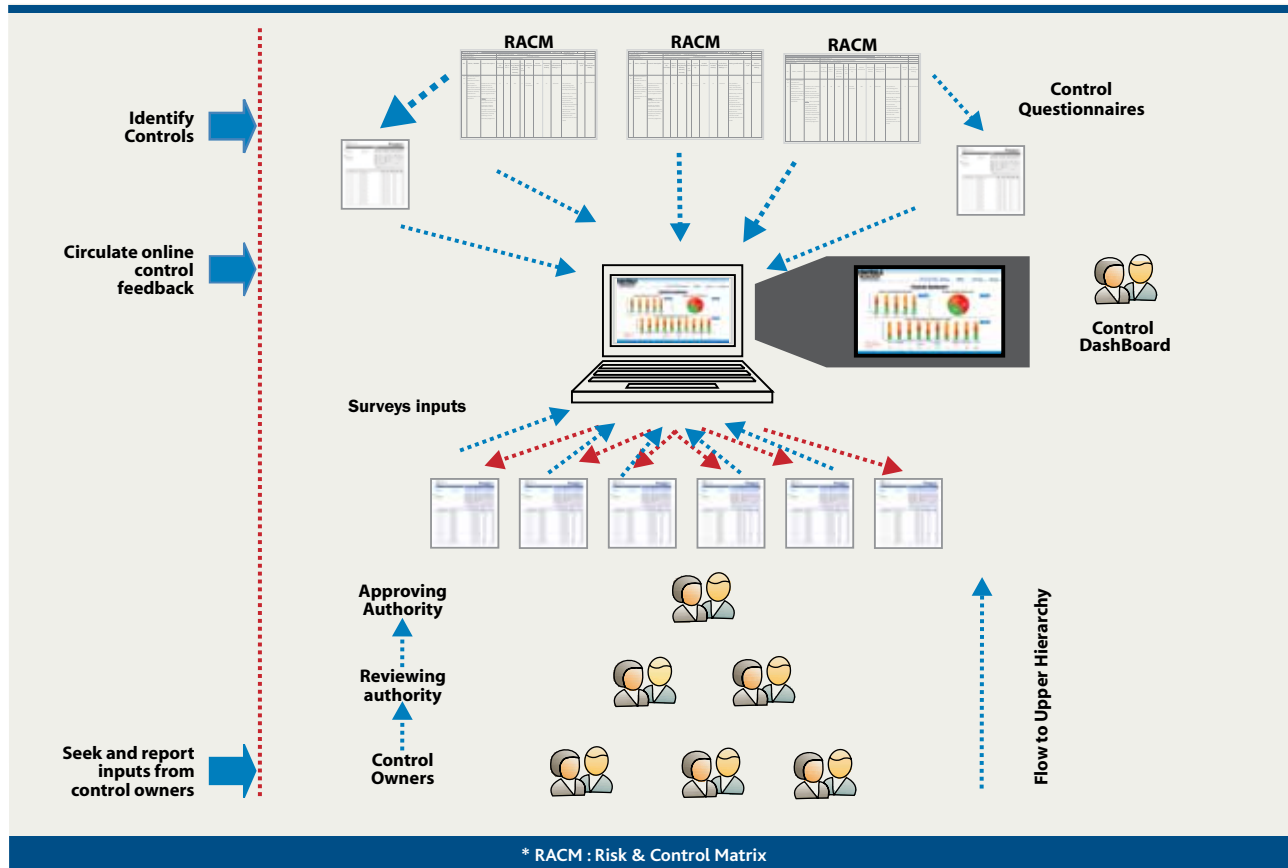
The Company's code of conduct has been posted on its website www.marutisuzuki.com

The code of conduct was circulated to all the members of the board and senior management personnel and they had affirmed their compliance with the said code of conduct for the financial year ended 31st March 2012. A declaration to this effect signed by Mr. Shinzo Nakanishi, Managing Director & CEO of the Company forms part of this report as Annexure - A.

CEO/ CFO CERTIFICATION

To reinforce the commitment to adopt best corporate governance practices, the Company has adopted a transparent "controls self assessment mechanism" to evaluate the effectiveness of internal controls over financial reporting. To facilitate certification by CEO/CFO for the financial year 2011-12, key internal controls over financial reporting were identified and put to self assessment by control owners in the form of self assessment questionnaires through a web based online tool called "Controls Manager". The self assessment submitted by control owners were further reviewed and approved by their superiors and the results of self assessment process were disclosed to the auditors and the audit committee. The whole exercise was carried out in an objective manner to assess the effectiveness of internal control during the financial year 2011-12.

Enabling controls self-assessments through the “Controls Manager”



* RACM: Risk & Control Matrix

As required by clause 49 of the listing agreement, the certificate duly signed by the Managing Director & CEO and the Chief Financial Officer was placed before the board of directors at its meeting held on 28th April 2012.

Risk assessment and minimisation procedure

The Company is impacted by changes in the business environment from time to time that necessitate continuous evaluation and management of significant risks faced by the Company. The Company has established appropriate risk assessment and minimisation procedures. The process for formulating a defined risk assessment framework encompassed, inter-alia, a methodology for assessing and identifying risks on an ongoing basis, risk prioritising, risk mitigation, monitoring plan and comprehensive reporting on management of enterprise wide risks.

An Executive Risk Management Committee (ERMC) is in place to review the risk management activities of the Company on a regular basis. The composition of the

committee consists of Managing Director & CEO, all the Senior Managing Executive Officers, Managing Executive Officer and Executive Officers of the Company. Risks are evaluated by ERMC. In addition to the Company level risks, ERMC also reviews, from time to time, any new risk that may arise due to market dynamics and changes in the business environment. The audit committee and the board also review the status of the risk management activities in the Company.

Legal compliance reporting

The board periodically reviews reports of compliance with all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.

The Company has developed comprehensive legal compliance scheduling and management software by which specific compliance tasks are assigned to each individual. The software enables in planning and monitoring all compliance activities across the Company.

Code for prevention of insider trading practices

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

Details of non – compliance

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

Subsidiary companies

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

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

SHAREHOLDERS INFORMATION**Means of communication**

Financial results	Quarterly and annual financial results are published in 'The Hindu-Business Line', 'Business Standard', 'Financial Express', 'Mint' and in Hindi editions of 'Jansatta', 'Business Standard' and Hindustan.
Monthly sales	Monthly sales figures are sent to stock exchanges as well as displayed on Company's website www.marutisuzuki.com .
News releases	All official news releases are sent to stock exchanges as well as displayed on the Company's website www.marutisuzuki.com .
Website	The Company's website www.marutisuzuki.com contains a dedicated segment called 'Investors' where all information needed by shareholders is available including ECS mandate, nomination form and annual report. The website also displays information regarding presentation made to media/ analysts/ institutional investors, etc.
Annual report	In our endeavor to protect the environment and in compliance with circular number 17/2011 dated 21 st April 2011 issued by the Ministry of Corporate Affairs where it was clarified that communication to the shareholders through e-mail will be in compliance with provisions of section 53 of the Companies Act, 1956, the Company sent the annual report for the year 2010-11 through e-mails to a large number of shareholders who had registered their e-mail ids with either depository participant (DP) or the Registrar & Transfer Agent (RTA) or the Company. This also helped the Company in saving a huge cost towards printing and dispatch. For those shareholders whose e-mail ids were not registered, the annual report in physical mode was sent by post to their registered addresses.
Corporate Filing and Dissemination System (Corpfile)	All disclosures and communications to Bombay Stock Exchange Limited, Mumbai (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through Corpfile. Hard copies of the said disclosures and correspondence are also filed with the exchanges.
NEAPS (NSE Electronic Application Processing System)	Shareholding pattern and corporate governance report of every quarter is uploaded on NEAPS.
SCORES (SEBI Complaints Redressal System)	SEBI has commenced processing of investor complaints in a centralised web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.
Exclusive e-mail id's for investors	Following e-mail id's have been exclusively dedicated for the investors' queries: investor@maruti.co.in mailmanager@karvy.com Queries relating to annual report may be sent to investor@maruti.co.in and queries relating to transfer of shares and splitting/ consolidation / remat of shares, payment of dividend, etc. may be sent to mailmanager@karvy.com

General body meetings**Table 8: Details of the last three AGMs of the Company**

Financial Year	Location	Date	Time
2008 – 09	Airforce Auditorium, Subroto Park, New Delhi	2 nd September 2009	10:00 a.m.
2009 – 10	Airforce Auditorium, Subroto Park, New Delhi	7 th September 2010	10:00 a.m.
2010 – 11	Airforce Auditorium, Subroto Park, New Delhi	8 th September 2011	10:00 a.m.

The Company has passed special resolutions in the previous three AGMs. No special resolution was passed in the last AGM.

Postal Ballot

In terms of Section 192A of the Companies Act, 1956 read with Companies (Passing of the resolution by postal ballot) Rules, 2011, the Company passed a special resolution pertaining to alteration in objects clause of the Memorandum of Association. The board appointed Mr. Manish Gupta, Practising Company Secretary as Scrutiniser

for conducting the postal ballot process. The postal ballot process was carried out in a fair and transparent manner. All postal ballot forms received upto the close of working hours on 22nd February 2012, the last date fixed for receipt of the forms, had been considered. The result of the postal ballot announced on the 24th February 2012 at the registered office of the Company is as under:

Category	No. of postal ballot forms	No. of shares	% of total paid up capital	% of total valid votes
For	1900	222,297,411	76.9435%	99.9988%
Against	54	2,597	0.0009%	0.0012%
Valid	1954	222,300,008	76.9444%	100.0000%

ADDITIONAL SHAREHOLDER INFORMATION**Annual General Meeting**

Date:	28 th August 2012
Day:	Tuesday
Time:	10:00 a.m.
Venue:	Airforce Auditorium, Subroto Park New Delhi – 110 010

FINANCIAL YEAR

Financial Year: 1st April to 31st March

For the year ending 31st March 2013, results will be announced:

By the end of July 2012: First quarter results

By the end of October 2012: Second quarter results

By the end of January 2013: Third quarter results

By the end of May 2013: Fourth quarter and annual results

Book closure

The period of book closure is from Friday, 17th August 2012 to Tuesday, 28th August 2012 (both days inclusive).

Dividend payment

Subject to the approval of the members in the annual general meeting, a dividend payment of ₹ 7.50 per equity share (face value ₹ 5 per equity share) for the year 2011-12 will be paid on or after 28th August 2012, to those whose names appear in the register of members / beneficial owners at the close of business hours on 16th August 2012.

Reminders were sent to the shareholders requesting them for claiming unclaimed dividend for the year 2003-04. Many shareholders claimed their unclaimed dividend. The payment was made directly to their bank accounts wherever the same were available under intimation to them. The balance amount remaining unclaimed was transferred to the Investor Education & Protection Fund (IEPF) within the stipulated time.

Listing on stock exchanges

The equity shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the year 2012-13 have been paid to both the stock exchanges. Table 9 lists the Company's stock exchange codes. The Company has also paid the annual custodial fee for the year 2012-13 to both the depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Table 9: Stock Code

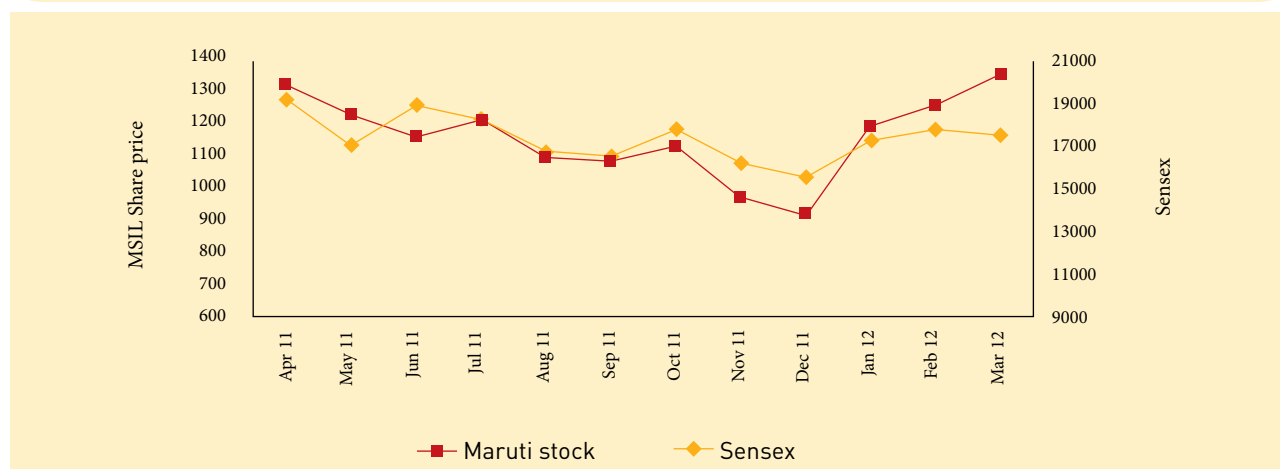
Bombay Stock Exchange Limited, Mumbai (BSE)	532500
National Stock Exchange of India Limited (NSE)	MARUTI
ISIN	INE585B01010

Stock market data

Table 10 gives the monthly high and low prices of the Company's equity shares on BSE and NSE for the year 2011-12. Chart A plots the movement of the Company's share prices on BSE vis-a-vis BSE Sensex for the year 2011-12.

Table 10: Monthly high & low quotation of the Company's equity share

Month	Bombay Stock Exchange		National Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr 11	1,335	1,217	1,335	1,214
May 11	1,334	1,189	1,334	1,190
Jun 11	1,259	1,087	1,255	1,086
Jul 11	1,225	1,130	1,225	1,130
Aug 11	1,287	1,048	1,283	1,048
Sept 11	1,161	1,045	1,162	1,041
Oct 11	1,178	1,010	1,185	1,010
Nov 11	1,152	910	1,153	907
Dec 11	1,016	906	1,015	900
Jan 12	1,225	917	1,226	917
Feb 12	1,375	1,182	1,375	1,183
Mar 12	1,428	1,250	1,429	1,248

CHART A: MSIL STOCK PERFORMANCE AT BSE RELATIVE TO SENSEX

Corporate Governance Report

Registrar and transfer agent

Karvy Computershare Private Limited
Plot No. 17 – 24, Vittal Rao Nagar
Madhapur, Hyderabad – 500 081
Ph No: 040-2342 0815 – 28
Fax No. : 040-2342 0814 / 2342 0857
Mail Id: mailmanager@karvy.com
Website: www.karvycomputershare.com

Share transfer system

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

Shareholding pattern

Table 11 and 12 list the shareholding pattern and distribution schedule of equity shares of the Company as on 31st March 2012 respectively.

Table 11: (I) (a) Shareholding pattern as on 31st March 2012

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialised Form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B) 1	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
(A)	PROMOTER AND PROMOTER GROUP 2					
	(1) Indian					
	(a) Individuals /Hindu Undivided Family	0	0	0	0.00	0.00
	(b) Central Government/State Government(s)	0	0	0	0.00	0.00
	(c) Bodies Corporate	0	0	0	0.00	0.00
	(d) Financial Institutions / Banks	0	0	0	0.00	0.00
	(e) Any Others	0	0	0	0.00	0.00
	Sub-Total (A) (1):	0	0	0	0.00	0.00
	(2) Foreign					
	(a) Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00
	(b) Bodies Corporate	1	156,618,440	156,618,440	54.21	54.21
	(c) Institutions	0	0	0	0.00	0.00
	(d) Any Others	0	0	0	0.00	0.00
	Sub-Total (A) (2) :	1	156,618,440	156,618,440	54.21	54.21
	Total Share Holding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	1	156,618,440	156,618,440	54.21	54.21
(B)	PUBLIC SHAREHOLDING 3					
	(1) Institutions					
	(a) Mutual Funds /UTI	154	8,231,746	8,231,746	2.85	2.85
	(b) Financial Institutions /Banks	54	37,413,898	37,413,898	12.95	12.95
	(c) Central Government / State Government(s)	0	0	0	0.00	0.00
	(d) Venture Capital Funds	0	0	0	0.00	0.00
	(e) Insurance Companies	0	0	0	0.00	0.00
	(f) Foreign Institutional Investors	409	61,962,792	61,962,792	21.45	21.45

Table 11: (I) (a) Shareholding pattern as on 31st March 2012

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialised Form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B) 1	As a percentage of (A+B+C)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Others	0	0	0	0.00	0.00
	Sub-Total (B)(1):	617	107,608,436	107,608,436	37.25	37.25
	(2) Non-Institutions					
(a)	Bodies Corporate	1,576	16,851,536	16,851,536	5.83	5.83
(b)	Individuals					
	(i) Individual shareholders holding nominal share capital up to ₹ 1 lakhs	126,928	6,709,605	6,704,552	2.32	2.32
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakhs	2	81,000	81,000	0.03	0.03
(c)	Any Others					
	Clearing Members	259	471,409	471,409	0.16	0.16
	Non Resident Indians	2,411	248,904	248,904	0.09	0.09
	Trusts	18	320,730	320,730	0.11	0.11
	Foreign Nationals	0	0	0	0.00	0.00
	OCB	0	0	0	0.00	0.00
	Sub-Total (B)(2):	131,194	24,683,184	24,678,131	8.54	8.54
	Total Public Share Holding (B)=(B)(1)+(B)(2):	131,811	132,291,620	132,286,567	45.79	45.79
	TOTAL (A)+(B):	131,812	288,910,060	288,905,007	100.00	100.00
(C)	SHARES HELD BY CUSTODIANS, AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED					
	Promoter and Promoter Group	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C):	131,812	288,910,060	288,905,007	100.00	100.00

No shares have been pledged by the Promoters as on 31st March 2012. The Company has not issued warrants or convertible securities either to the public or the promoters of the Company.

Corporate Governance Report

(I)(c)(i) *Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1 per cent of the total number of shares

Sr.No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	Life Insurance Corporation of India	24,399,405	8.45
2	HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	14,106,975	4.88
3	Bajaj Allianz Life Insurance Company Limited	4,421,463	1.53
4	ICICI Prudential Life Insurance Company Limited	4,256,007	1.47
5	Europacific Growth Fund	3,725,509	1.29
6	The Master Trust Bank of Japan, Limited A/C HSBC Indian Equity Mother Fund	3,160,395	1.09
7	Government Pension Fund Global	2,988,155	1.03
TOTAL		57,057,909	19.75

* The Company has not issued warrants or convertible securities to any of the above shareholders holding more than 1 per cent of the total number of shares.

(I)(c)(ii) **Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5 per cent of the total number of shares of the Company

Sr.No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	Life Insurance Corporation of India	24,399,405	8.45
TOTAL		24,399,405	8.45

** The Company has not issued warrants or convertible securities to LIC.

(I) (d) Statement showing details of locked-in shares

Sr.No.	Name of the shareholder	Category of shareholders (Promoters/Public)	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e. Grand Total (A)+(B)+(C) indicated in Statement at para (I) (a) above}
	Nil	Nil	Nil	Nil

(II) (a) Statement showing details of Depository Receipts (DRs)

Sr.No.	Type of outstanding DR (ADRs, GDRs, SDRS, etc.)	Number of outstanding DRs	Shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e. Grand Total (A)+(B)+(C) indicated in Statement at para (I) (a) above}
1	Global Depository Receipts (GDRs)	Nil	Nil	Nil

II) (b) Statement showing holding of Depository Receipts (DRs), where underlying shares are in excess of 1 per cent of the total number of shares

Sr.No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e. Grand Total (A)+(B)+(C) indicated in Statement at para (I) (a) above}
	N.A.	N.A.	0	0

Table 12: Distribution Schedule as on 31st March 2012

Shareholding Class	Number of shareholders	%	Number of shares	%
1 to 5000	130,761	99.20	6,493,438	2.25
5001 to 10000	283	0.22	404,416	0.14
10001 to 20000	177	0.13	508,681	0.18
20001 to 30000	90	0.07	444,435	0.15
30001 to 40000	49	0.04	349,095	0.12
40001 to 50000	41	0.03	374,490	0.13
50001 to 100000	97	0.07	1,362,764	0.47
100001 and above	314	0.24	278,972,741	96.56
TOTAL	131,812	100.00	288,910,060	100.00

List of top-ten shareholders as on 31st March 2012 is as under:

Table 13: Top ten shareholders

Name	% of holding
1 Suzuki Motor Corporation	54.21
2 Life Insurance Corporation of India	8.45
3 HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	4.88
4 Bajaj Allianz Life Insurance Company Ltd.	1.53
5 ICICI Prudential Life Insurance Company Ltd.	1.47
6 Europacific Growth Fund	1.29
7 The Master Trust Bank of Japan Ltd. A/C HSBC India A/c Equity Mother Fund	1.09
8 Government Pension Fund Global	1.03
9 The Growth Fund of America Inc.	0.83
10 LIC of India Market Plus Growth Fund	0.75
TOTAL	75.53

Dematerialisation of shares and liquidity

As on 31st March 2012, 99.99 per cent of the Company's total paid up equity capital representing 288,905,007 equity shares was held in dematerialised form and the balance 0.01 per cent representing 5,053 equity shares was held in physical form. The equity shares of the Company are listed under specified category in BSE and are part of Nifty in NSE.

Suzuki Motor Corporation, the promoter of the Company holds its entire equity in dematerialised form.

Pursuant to clause 5A of the listing agreements, the Company has opened a demat account named 'Maruti Suzuki India Ltd.-Unclaimed Shares Demat Suspense Account' with Karvy Stock Broking Limited. The shares

issued pursuant to 'Offer for Sale' and still lying unclaimed were credited in this account. The details of these shares are given hereunder:

Securities	As on the date of credit of shares in the account		No. of shareholders who approached for transfer of shares from suspense account	No. of shareholders to whom shares were transferred from suspense account	Balance as on 31-03-2012	
	No. of records	No. of shares			No. of records	No. of shares
Equity Shares	15	1,050	-	-	15	1,050

The voting rights on these 1050 shares shall remain frozen till the rightful owner of these shares claims the shares.

Secretarial audit

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practising Company Secretary carries out secretarial audit and provides a report to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the board. The audit, inter-alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

Outstanding GDRs / ADRs / warrants or any convertible instruments, conversion date and likely impact on equity

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

Details of public funding obtained in the last three years

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

Adoption of non-mandatory requirements

The Company complies with the following non-mandatory requirements as provided in the listing agreement:

- The chairman's office with required facilities is being maintained by the Company at its expense, for use by its non – executive chairman.
- The Company has established an effective mechanism called Whistle Blower Policy (Policy). The

mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees. It protects employees wishing to raise a concern about serious irregularities, unethical behaviour, actual or suspected fraud within the Company.

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

Plant location

The Company has four plants, three located in Palam Gurgaon Road, Gurgaon, Haryana and one located at Manesar Industrial Town, Gurgaon, Haryana.

Address for correspondence

Investors may please contact for queries related to:

- Shares held in dematerialised form
Their Depository Participant(s)
and/or
Karvy Computershare Private Limited
Plot No. 17 – 24, Vittal Rao Nagar
Madhapur, Hyderabad – 500 081
Phone No.: 040-2342 0815 – 28
Fax No. : 040-2342 0814 / 2342 0857
Mail Id: mailmanager@karvy.com
Website: www.karvycomputershare.com

II. Shares held in physical form
Karvy Computershare Pvt. Limited

(at the address given above)

or

The Company at the following address:

Maruti Suzuki India Limited

1, Nelson Mandela Road, Vasant Kunj

New Delhi-110070

Phone No.: (91)-11-4678 1000

Email Id: investor@maruti.co.in

Website: www.marutisuzuki.com

Secretarial standards issued by the Institute of Company Secretaries of India (ICSI)

ICSI, one of the premier professional bodies in India, has issued 10 secretarial standards as on 31st March 2012.

These secretarial standards are recommendatory in nature.

The Company substantially observes secretarial standards voluntarily as good corporate governance practice and for protection of interest of all stakeholders.

Annexure A

DECLARATION OF THE MANAGING DIRECTOR & CEO

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

Further, certified that the members of the board of directors and senior management personnel have affirmed the compliance with the code applicable during the year ended 31st March 2012.

22nd May 2012
New Delhi

Shinzo Nakanishi
Managing Director & CEO

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Maruti Suzuki India Limited

We have examined the compliance of conditions of Corporate Governance by Maruti Suzuki India Limited, for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

Abhishek Rara
Partner
Membership Number - F 77779

Gurgaon
May 29, 2012



Management Discussion & Analysis

Customers rated the Company the best in customer satisfaction in India for the twelfth consecutive year in the J.D. Power survey. The Company launched refined versions of its Swift and DZire models, even while they were at the prime of sales and customer demand. The Company entered the utility vehicle space with the showcasing of a new model, the Ertiga. The new models were received well and sales have increased further.

OVERVIEW

The financial year 2011-12 was full of challenges and turbulence for the Indian passenger vehicle industry. With a background of two good years of 8.4 per cent economic growth, the financial year 2011-12 began on an optimistic note. However, during the course of the year it became evident that the Indian economy would fall short of these expectations and the GDP growth in 2011-12 is now estimated to be around 6.5 per cent. It was the second year in succession with a double digit inflation rate and the central bank raised interest rates to curb inflation. Prices of crude oil also shot up in the international market. With petrol prices deregulated the previous year, and diesel prices under government control, there was a high difference in the prices of the two fuels. This led to a severe demand distortion between petrol and diesel cars. High inflation, high interest rates and high petrol prices impacted affordability of cars, particularly in the smaller cost-sensitive segment. The Indian passenger vehicle market grew by a meagre 4.7 per cent. Sales of petrol cars declined by 13.7 per cent in the domestic market while diesel car sales grew by 37.4 per cent with an additional wait list of customer bookings owing to capacity constraints. If the market is segmented on size, the sales of bigger cars (A3 segment and above) grew by 17.5 per cent and of utility vehicles by 16.5 per cent, while those of small and compact cars declined by 1.4 per cent.

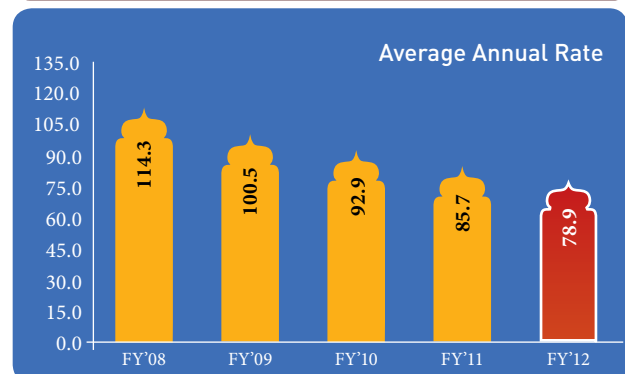
The global economic environment was also uncertain following a natural calamity in Japan, a downgrade of credit rating of the U.S.A. and a sovereign debt crisis in the Eurozone. The latter continues to be a dominant global factor and a source of volatility in the financial and currency markets. While export sales of the Company's products to the European markets plummeted, the fall in volumes was made up to some extent by increase in sales to non-European markets.

On the cost side, a steep appreciation of the Yen increased the Rupee cost of direct and indirect imports and royalty. Although there was some benefit on export realisations, the quantum was limited.

The Company suffered an unfortunate labour unrest situation at its Manesar facility. Since then, the management has taken measures to promote cordial industrial relations. The unrest impacted the production of vehicles, including in the diesel segment, which were in high demand.

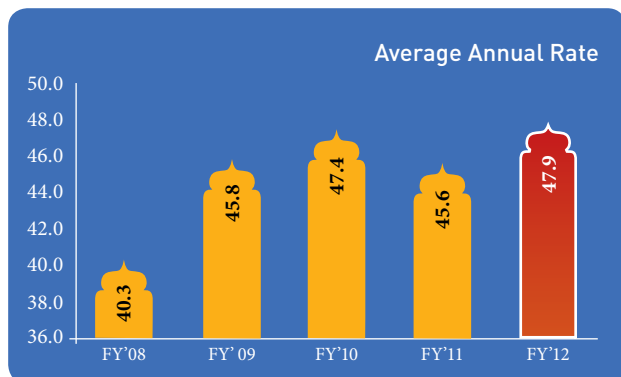
The competitive intensity also increased with new model launches including in small and compact segment and aggressive price cuts. Since the Company is present predominantly in the small car segment and in petrol cars, and did not have a sizeable presence in utility vehicle segment, it was impacted more than industry as a whole and domestic sales fell by 11.2 per cent to 1,006,316 units. Net Sales, including exports, stood at ₹ 347,059 million, a decline of 3.2 per cent over the previous year. Efforts to revive the market by higher discounts and sales promotion activities, together with higher commodity prices and adverse foreign exchange rates, put pressure on profit. Net Profit after tax declined by 28.6 per cent to ₹ 16,351 million.

MOVEMENT OF USD-YEN



Source: Reuters

MOVEMENT OF USD-INR



Source: Reuters

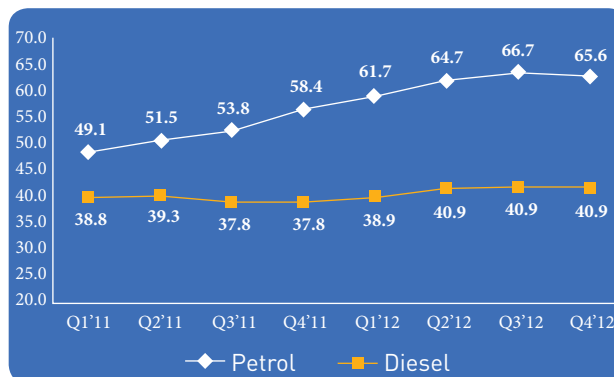
While the year was marked by challenges on several fronts, the Company continued to take significant measures for the long term in the areas of capacity expansion, brand building, product development and network expansion. Customers rated the Company the best in customer satisfaction in India for the twelfth consecutive year in the J.D. Power survey. The Company launched refined versions of its Swift and DZire models, even while they were at the prime of sales and customer demand. The new models were received well and sales have increased further. During the year, the Company commissioned a second car plant at Manesar and augmented availability of diesel engines by outsourcing with the help of Suzuki Motor Corporation. Work on the development of a new R&D centre at Rohtak progressed according to schedule. The Company entered the utility vehicle space with the showcasing of a new model, the Ertiga. The Ertiga, designed as an alternative to sedans and targeted at families upgrading from compact and mid-size cars, has received a positive response and order books are full for the next few months.

BUSINESS PERFORMANCE

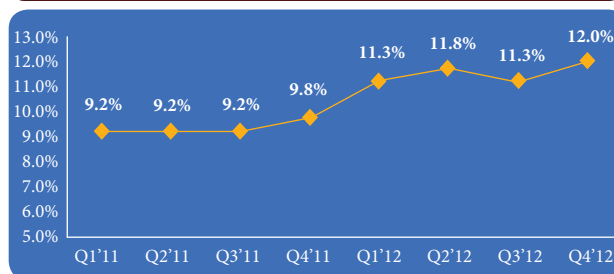
Domestic Market

During the year, market conditions remained tough due to high interest rates, high petrol prices and an uncertain political and economic environment. As mentioned above, the difference between petrol and diesel prices shot up causing a further decline in the demand for petrol vehicles and a customer waitlist for diesel vehicles. The percentage of diesel vehicles in domestic passenger vehicle sales increased from 36 per cent in 2010-11 to 47 per cent in 2011-12.

TREND OF FUEL PRICES (₹/LITRE)



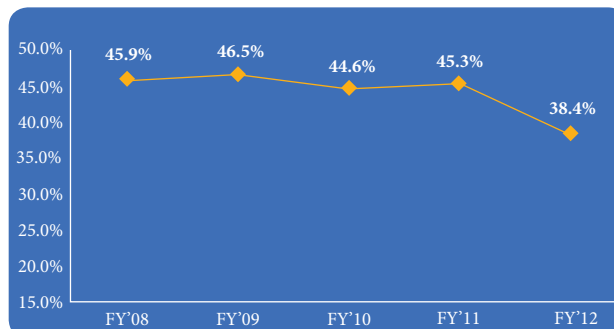
AUTO LOAN RATE (%)



Source: Company, SBI

The sales of diesel models of the Company were limited by capacity constraints and therefore had a long customer waitlist for delivery built up during the year. Towards the fourth quarter of the year, the Company enhanced diesel engine availability by outsourcing from Fiat India Automobiles Limited. The competition launched new models and in several cases announced aggressive discounts and price cuts. The market share in passenger vehicles declined from the past levels of about 45 per cent to 38.4 per cent. However, the Company will make efforts to recover market share in the next few years given the popularity of its diesel models, enhanced diesel engine

MSIL MARKET SHARE (PASSENGER VEHICLES)



Source: SIAM, Company

availability, renewed focus on efficient petrol vehicles and strong new launches, among other reasons. Four out of the top five selling models in India in the year were from the Maruti Suzuki stable.

During the year, the Company launched refreshed variants of the Swift and the DZire. These brands have been on waiting lists for delivery since their launch. The first Swift, launched six years ago, created great enthusiasm in the Indian passenger vehicle market with its contemporary European design, styling, features and performance. DZire is an attractive package for an urban family, offering plush, comfortable interiors and superior fuel efficiency. Maruti and Suzuki engineers ventured on the tough task of surpassing existing standards in their efforts together to enhance further the styling, features and fuel efficiency of the cars. The market response to the new models has been satisfying and the combined volumes have shot up from about 22,000 units to over 30,000 units per month.

At the 2012 Delhi Auto Expo, the Company unveiled the Ertiga - Life Utility Vehicle. The global premiere of Ertiga marks the entry of the Company in the UV segment, which will help further strengthen its leadership position in the industry. The Company also showcased the XA-Alpha, a concept compact SUV.

The Company continues to focus on network expansion to remain close to customers. During the year, the dealer sales network reached 1,100 outlets in 801 cities and total service points expanded to 2,958 workshops in 1,408 cities. The Company is the only passenger vehicle manufacturer to achieve more than one thousand sales outlets in India.

Higher network penetration helps in capturing more sales from across geographies. The Company has the highest presence in terms of district coverage at 82 per cent. The rural segment has grown at a fast pace in the last 5 years. Better road infrastructure, higher minimum support prices and government social schemes have had a positive impact on the rural economy and increased purchasing power as well as aspiration levels. Rural sales, even in such a tough year, remained healthy and robust. In the year, rural sales contributed more than 25 per cent of total domestic sales.

The Company's workshop network has about 25,000 dealer service technicians trained in technical skills and customer friendly processes. This has contributed to the Company being rated the best in Customer Satisfaction

RURAL SALES (AS % OF TOTAL DOMESTIC MSIL SALES)



Source: Company

in India for the twelfth consecutive year in the JD Power Asia Pacific survey. For reducing the transit time and faster delivery of vehicles and parts to the southern states, the Company opened a transit vehicle park for vehicles and parts distribution centre at Bangalore.

The integrated business model of the Company's dealerships proved valuable in a difficult year. The TrueValue business is an effective tool to promote new car sales by offering a hassle-free way for customers to exchange old cars for new or otherwise. During the year, dealerships sourced and sold over 230,000 pre-owned cars. Of these nearly 90 per cent resulted in exchange buying of new cars.

Parts & Accessories

The Company's large vehicle parc continued to drive demand in the aftermarket. To educate customers and encourage use of genuine parts for safety and better performance, it employed radio campaigns, service check-up camps and carried out other marketing activities. The Company worked on the retail network for easy availability and expanding the range of accessories by introducing more than 300 new products.

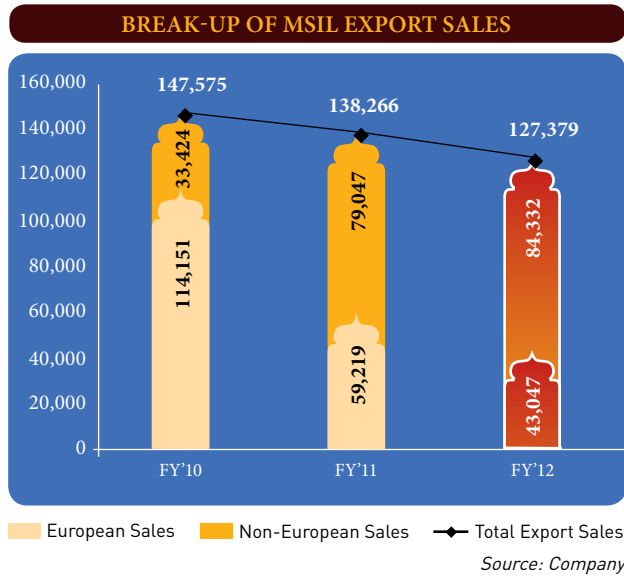
Parts and accessories achieved a gross turnover of ₹ 23,385 million, a growth of 16 per cent over the previous year.

Exports

The export business was challenged by the weak global economic scenario, particularly in the European market.

The Company made strong efforts to develop the non-European markets and this compensated to a large extent for the fall in European sales. The Company worked in

close co-ordination with the distributors and implemented various sales enablers and best practices that resulted in robust sales and improved brand presence. Non-European markets now account for 66 per cent of total exports up



In the year, the Company exported 127,379 vehicles, a decline of 8 per cent over the previous year. The Company's premium small car A-star with low CO₂ emission was the single largest selling model and its cumulative sales crossed the milestone of 300,000 units.

SUSTAINABILITY

The sustainability efforts of the Company focus on three dimensions of its performance - economic, environmental and social. The Company considers its various stakeholders to be essential partners in its sustainability journey and regularly reviews its stakeholder engagement mechanisms to address their concerns and needs in a proactive and progressive way.

The Company has made numerous improvements within the boundaries of its manufacturing facilities over the years. In 2011-12, the Company became the first automobile company in the country to register a Clean Development Mechanism (CDM) project with United Nations Framework Convention on Climate Change (UNFCCC). In due course, the project will allow the Company to earn tradable carbon credits.

The Company promoted sensitivity for the environment amongst its suppliers as well. The Company's corporate social responsibility (CSR) projects continued to expand in the year. Road safety, the Company's largest CSR project, laid high focus on driver training for increasing safety on Indian roads. Besides, emphasis was laid on spreading awareness on road safety among school children and the general public. The Company had set a goal of training 500,000 persons in safe driving under its National Road Safety Mission in 2008. Of this, 100,000 were to be from the underprivileged sections of the society. The Company completed its 3-year training goal in December 2011. Many of the underprivileged trained in driving are using their skill to earn a living, either by joining an existing enterprise or setting up their own business. The driving training network of the Company consists of Institutes of Driving and Traffic Research (IDTRs), run in collaboration with state governments and Maruti Driving Schools (MDS), neighbourhood training centres owned and managed by the Company's dealerships. There are now 6 IDTRs across the country and over 200 Maruti Driving Schools. During the year, the Company crossed the milestone of training 1 million people in safe driving in the last one decade.

The Company's skill training programme expanded with new partnerships with Government Industrial Training Institutes (ITIs). The Company is working in close partnership with state government, for overall up-gradation of 10 Institutes, including two ITIs for women and one ITI for Scheduled Cast / Scheduled Tribe students. Besides these Institutes, the automobile trade was upgraded in 38 ITIs across the country.

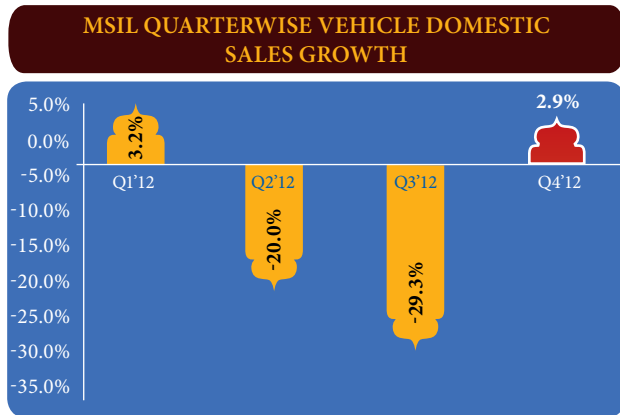
Development activities in four Manesar villages continued smoothly in the year. The key activities were school education, infrastructure development and skill training for employment. For initiating activities in four villages in Gurgaon, the Company undertook a needs assessment of the area. Focused activities will begin in these locations in the coming year.

Expressing commitment to workplace safety, the Company underwent the Occupational Health and Safety Assessment Sequence (OHSAS) 18001 Certification in 2011-12. Over 100,000 man-hours of safety training were provided in 2011-12.

The Company measures and shares its performance in the area of sustainability with stakeholders in the form of a sustainability report. The report is in accordance with Global Reporting Initiative (GRI) G3 guidelines and is externally assured with an A+ certification. The full report can be accessed on <http://www.marutisuzuki.com/sustainability-report.aspx>

OPERATIONS

The aggregate decline of 11.2 per cent in the domestic market in the year was accompanied by fluctuations in demand in each quarter, and also across models. There were changes in production lines for new versions of Swift and DZire and changes in the diesel and petrol product mix. This placed demands on the ability of the manufacturing operations and vendors to meet the fluctuating needs of the market while staying lean with inventories.



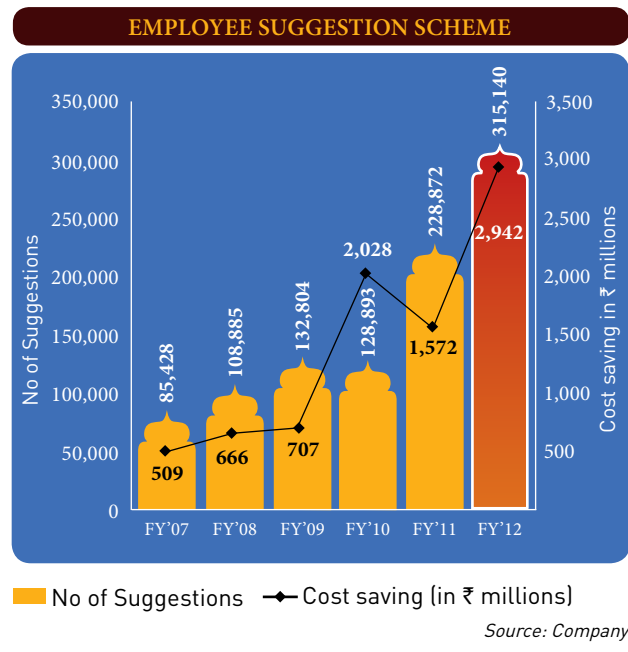
Source: Company

The manufacturing operations comprising three plants at Gurgaon and one plant at Manesar tried to meet customers' requirements with flexibility and agility. A second plant was commissioned in Manesar taking the installed capacity of the Company to 1.26 million units per annum. However, with productivity improvements and kaizen or continuous improvement over the years, the Company is able to achieve a throughput of 1.5 million units per annum.

This second plant is built with high automation levels, world class facilities, ergonomically designed equipment and advanced technologies. It has capacity of 250,000 vehicles p.a. The Company has been able to reduce space per vehicle by 30 per cent by innovative rationalisation of

total space. The plant was commissioned in September with substantial reduction in investment cost.

The Company has identified four pillars of manufacturing excellence – Safety, Productivity, Quality and Cost Reduction and these are achieved by involving all the employees in both generation of ideas and in execution. The Japanese practice of kaizen involves every employee looking for small and continuous improvement in his/her work area. The total adds up to big benefits in cost reduction, waste elimination, productivity and quality improvement. An additional advantage is that it engages and empowers employees and tries to leverage the entire organisation's potential. The Company holds regular competitions in suggestion schemes and quality circles and duly recognises the high performers.



■ No of Suggestions ◆ Cost saving (in ₹ millions)

Source: Company

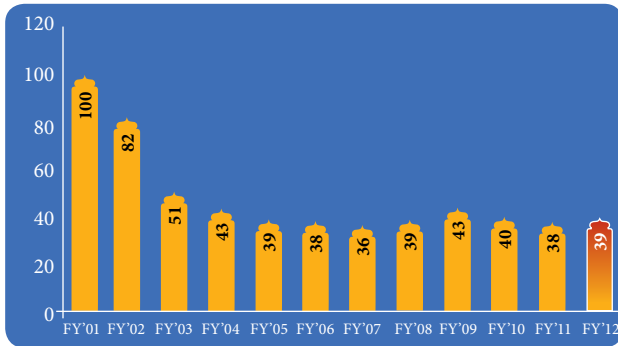
Tool Room & Die Shop

The capability to design and develop tools and dies directly translates into the Company's ability to develop new models at a faster pace and lower cost. The Company was able to enhance this capability and for the first time exported sheet metal dies to Suzuki for its overseas facilities. With automation and kaizen in the design and manufacturing process, the Company has been able to achieve a cost advantage of 25 to 40 per cent over imported dies.

Energy and Environment Sensitivity in Operations

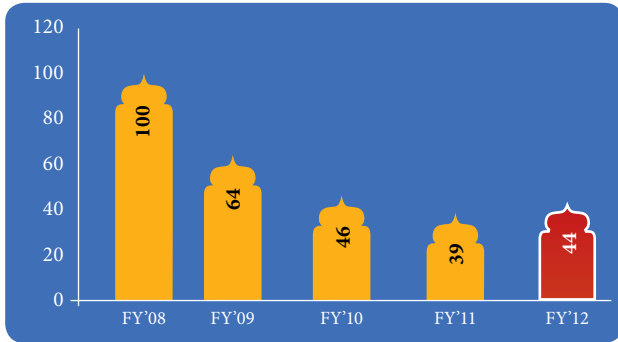
The Company deployed some of the best technologies and global practices towards water and energy conservation using the principle of Reduce, Reuse and Recycle. The results over the years have been quite encouraging as the following graphs show. However, in 2011-12, there was an increase in per unit consumption of water and electricity owing to lower volumes.

WATER CONSUMPTION PER CAR (INDEXED TO BASE YEAR 2000-01) GURGAON PLANT



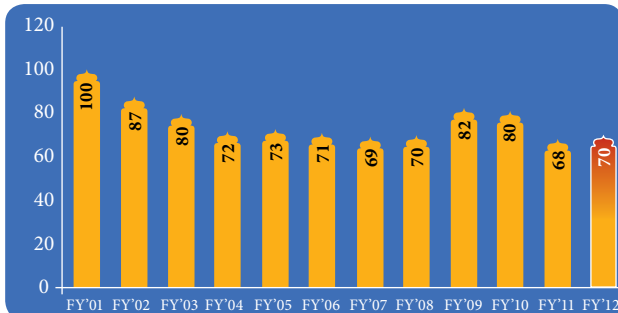
Source: Company

WATER CONSUMPTION PER CAR (INDEXED TO BASE YEAR 2007-08) MANESAR PLANT



Source: Company

ELECTRICITY CONSUMPTION PER CAR (INDEXED TO BASE YEAR 2000-01) GURGAON PLANT



Source: Company

ELECTRICITY CONSUMPTION PER CAR (INDEXED TO BASE YEAR 2007-08) MANESAR PLANT



Source: Company

To utilise the energy of the exhaust gases of the Gas Turbine Generators, Waste Heat Recovery Boilers (WHRBs) and Steam Turbine Generators (STGs) were installed in the Gurgaon campus. In Manesar, a special Fluidised bed type incinerator was installed for cleaning of paint booth gratings instead of a direct burning type incinerator to reduce emissions.

COMPONENT & RAW MATERIAL PROCUREMENT

The challenge of demand volatility was equally applicable to vendor manufacturing operations as it was to inhouse manufacturing. Parts which were specific to a diesel or petrol model experienced greater volatility. The Company's vendors rose to the occasion and supported it with flexibility and agility to meet the changing requirements.

The challenge of macroeconomic volatility was felt on the cost side also as changes in commodity prices and foreign exchange rates were pronounced. The upward movement of the Yen combined with a downward movement of the Rupee made the Company's direct imports and vendors' imports expensive. The Company launched a major drive to localise imported parts and inner parts and created a dedicated organisation structure to achieve this objective. Besides these areas, focus on yield improvement, consolidated buying and value analysis and value engineering helped offset the impact. The Company made efforts to develop competency in commodity hedging and some commodity exposure was also hedged.

During the year, the Company also benefited from lower duty, as India's Free Trade Agreements (FTA) with Japan, Korea, Thailand and ASEAN were notified. Taking the benefits of the FTAs further, locally produced components were exported to Suzuki subsidiaries in Thailand and Indonesia, presenting an additional opportunity for suppliers.

For the business to scale up to global levels, Tier 2 vendors need to be strengthened in terms of robustness of manufacturing and quality systems and management bandwidth. The Company is devoting resources to their upgradation as they will form the foundation of sustainable growth of the Indian car industry.

ENGINEERING AND R&D

The Company's annual report of 2010-11 was dedicated to the theme of "Techno-Logical" implying technology excellence and relevance from a customer's viewpoint.

Product excellence and relevance have been among the strongest reasons for the Company's leadership over the past nearly three decades. The Indian customer associates the Maruti Suzuki brand with peace of mind, joy of driving, ease of maintenance, high fuel efficiency and lowest lifecycle cost of ownership. As mentioned in the Business Performance section, the Company launched refined versions of the Swift, the DZire and the A-star models.

The Company showcased Concept XA-Alpha, a compact SUV, expressing its design philosophy that an adventure lifestyle vehicle with muscular styling and power can be designed in compact dimensions and low engine displacement.

During the year, the Alto and Estilo were adjudged the best in the compact segment and the Swift DZire was ranked highest in the entry midsize segment of the JD Power APEAL 2011 (Automotive Performance, Execution and Layout) study. Also, the Estilo and the DZire took the top position in the JD Power 2011 Initial Quality Study (IQS) in the compact and entry sedan segments respectively. This survey studies customer satisfaction on the product with respect to ownership during the initial months of vehicle acquisition.

The Company benefits from the parent, Suzuki Motor Corporation's expertise in designing models that excel in functionality, fuel efficiency, body styling and driving pleasure, all this while meeting the customers' cost aspirations. This has to be further supplemented by local capability in design, starting with body design. To this end, the Company is expanding its R&D capacity and has increased its engineers' strength from 250 to about 1,100 in the past five years. These engineers are being provided training and exposure to live projects in the areas of planning, styling, prototyping, vehicle layout, testing and cost management in India and Japan. The Company is

investing in setting up a local R&D centre in Rohtak, with proving grounds, crash test facility and wind tunnel testing facility.

With increasing choices to the customer, managing cost has become critical. The Company is adopting design optimisation, re-engineering, benchmarking, design to cost and other value enhancement projects as strategies to control cost.

FINANCIAL PERFORMANCE

As mentioned in the Overview section, the Company was impacted by lower sales owing to a tough macroeconomic scenario and higher cost owing to adverse foreign exchange rates and commodity price increases. To increase sales, the Company expanded its network reach, tried to leverage rural sales, targeted niche customer segments and made efforts to enhance diesel engine supplies. On profit margins, the Company made strong efforts to reduce cost and localise and was also forced to pass on some price increase to the customer. While the Net Profit declined as is shown in the following abridged profit and loss statement, the Company has taken some strong and concrete measures to enhance revenues and profits:

- ✦ Diesel engine availability is expected to improve to about 400,000 units in the year 2012-13 from about 250,000 units in 2011-12. Realising the potential demand for diesel vehicles, a further capacity expansion is planned in phases.
- ✦ The Company has entered the utility vehicles segment with the Ertiga, where it had a miniscule presence till now, and plans to strengthen this position with more products.
- ✦ As mentioned in the Raw Material and Component Procurement section, the Company is making focused efforts on localising import content and has created a dedicated organisation structure for this.
- ✦ The Company has received permission from the Reserve Bank of India to take hedges on foreign exchange exposure due to its vendors' inner part imports. This will facilitate centralised and fast decisions on foreign currency hedges for the entire value chain.
- ✦ The Company has also constituted joint teams of Finance and Supply Chain functions to explore possibilities of hedging its commodity exposure in copper, aluminium and precious metals.

Table 1: Abridged profit and loss account for 2011-12 (₹ million)

Parameters	2011-12	2010-11	Change
1 Volumes (Nos)			
Domestic	1,006,316	1,132,739	
Export	127,379	138,266	
TOTAL	1,133,695	1,271,005	-10.8%
2 Gross Sale of Products	386,141	401,021	
Vehicles	362,111	380,607	
Spare parts/ dies & moulds/ components	24,030	20,414	
3 Excise duty	39,082	42,531	
4 Net sales (2-3)	347,059	358,490	
5 Other operating revenue	8,812	7,694	
6 Other income	8,268	5,088	
7 Total revenue (4+5+6)	364,139	371,272	-1.9%
8 Consumption of raw materials, components & traded goods	280,656	283,382	
9 Employee benefit expenses	8,438	7,036	
10 Finance Costs	552	250	
11 Depreciation and amortisation	11,384	10,135	
12 Other expenses	41,647	39,381	
13 Total expenses	342,677	340,184	0.7%
14 Profit before tax (7-13)	21,462	31,088	-31.0%
15 Current tax	4,138	8,101	
16 Deferred tax	972	101	
17 Profit after tax (14-15-16)	16,352	22,886	-28.6%

Table 2: Financial Performance – Ratios (As a Percentage of Net Sales)

Parameters	2011-12	2010-11	Change
Material cost	80.9%	79.0%	(1.9)
Employee benefit expenses	2.4%	2.0%	(0.4)
Depreciation and amortisation	3.3%	2.8%	(0.5)
Other expenses	12.0%	11.0%	(1.0)
Profit before tax	6.2%	8.7%	(2.5)
Profit after tax	4.7%	6.4%	(1.7)

Treasury Operations

The Company has efficiently managed its surplus funds through careful treasury operations. The guiding principle of the Company's treasury investments is safety and prudence. In view of this, the Company invested its

surplus funds in debt schemes of mutual funds and short-term bank fixed deposits. This has enabled the Company to earn reasonable and stable returns in a volatile interest rate scenario.

Table 3 lists the different portfolios while Table 4 lists the return on these surplus funds.

Parameters	31-03-12	% of total	31-03-11	% of total
Corporate Bonds	-	-	7,000	10%
Bank Fixed Deposits	23,600	30%	24,130	34%
Debt Mutual Fund	56,106	70%	40,106	56%
TOTAL	79,706	100%	71,236	100%

Parameters	2011-12	2010-11
Interest on Corporate Bonds	528	298
Interest on fixed deposits	2,330	681
Dividend from debt mutual funds	639	2,066
Net Profit from sale of investments	2,442	571
TOTAL	5,939	3,616

Internal controls and adequacy

The Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and that all transactions are authorised, recorded and reported correctly. The internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets. The internal control system is supplemented by an extensive program of internal audits, reviews by management, and documented policies, guidelines and procedures.

HUMAN RESOURCES

The Company has always striven to offer a positive, supportive, open and high performance work culture. Over the years its unique work culture has evolved with learning from Suzuki, Japan in terms of Japanese systems, processes and work practices and also from the experience of local context and expectations of its people.

Some of the key constituents of the work culture are fairness, equal opportunity, participation and involvement and team work.

The induction of a young workforce over the last five years and enabling their smooth settling down in the Company work culture has been a challenge. The emphasis has been on increased two way communication, stay interviews, creating job excitement, education and learning towards career development.

The experience of handling the Manesar Plant labour issue during the last year further highlights the need for the management focus on effective induction, total involvement, training and mentoring of the young team members at the shop floor level. The new initiatives in this direction over the last six months have given positive results. One of them is the outbound training initiative where a diverse population of associates, supervisors, young managers and middle management team members are taken to mountains or areas of natural challenges and imparted learning through

the experience of group exercises. Till now 14 such programmes have been conducted covering more than 300 employees. This initiative is planned to cover more shop floor employees of the Company. With strong growth and expansion of the business and more and more young new team members likely to join its team, the Company plans to lay the highest emphasis on reinforcing a positive work culture, internal communications and continuous training and mentoring.

Retention of talent is a challenge as most automobile and engineering companies seek to recruit experienced professionals to augment their teams. In spite of an adverse external environment related to headhunting and easy poaching, the Company has been able to maintain an attrition loss of only 5.9 per cent in the year 2011-12 much below the manufacturing industry trends. While this is largely the result of a culture of fairness, transparency, team spirit and motivation, some concrete initiatives like an elaborate performance management system, an appraisal process to assess potential, job rotation, encouragement for higher education and a policy of career growth offering fast track, normal track and extended track opportunities have provided the right structure.

INFORMATION TECHNOLOGY

Technology systems at the Company provide seamless integration and real-time connection with the business partners. The e-Nagare system, based on just-in-time philosophy, generates hourly schedules and keeps vendors updated on component requirements and shipments. The Dealer Management System (DMS), a 360° system for managing dealer operations, along with other key features tracks enquiries and monitors retail sales on a real time basis keeping the sales team abreast with the latest market situation.

Business intelligence tools with advanced analytics empower the Company to maintain a database of 8 million customers. This helps in closely understanding and profiling customers to gain actionable insights and target potential buyers. In FY2011-12, the Company successfully integrated Maruti R&D systems with Suzuki for a unified approach to product development. Implementation of predictive modeling in parts business helped in improving forecasting ability.

The Company is now working on a training academy project that will enable employees to learn at their own pace. The training academy in an e-learning mode seeks to equip vendor and dealer employees with critical skills and knowledge and give scalability to the training function.

RISK FACTORS

The Company operates in an environment which is affected by various factors some of which are controllable while some are outside the control of the Company. The activity of risk management in the Company is reviewed by the Audit Committee through a management subcommittee, the Executive Risk Management Committee (ERMC). The ERMC consists of the Managing Director & CEO and all executive officers of the Company. It reviews the risk management activities on a regular basis in addition to scanning for any new risks that may arise due to changes in the business environment. While the possibility of a negative impact due to one or more such risks cannot be totally precluded the Company proactively takes reasonable steps and makes efforts to mitigate significant risks that may affect it. Some of the risks that are potentially significant in nature and need careful monitoring are listed hereunder:

- ❖ Macroeconomic factors
- ❖ Preparedness of value chain partners
- ❖ Inappropriate product portfolio
- ❖ Competition product launches
- ❖ Talent acquisition and retention
- ❖ Geographic concentration
- ❖ Changes in government policy and legislation
- ❖ Unfavourable changes in the import policies on new cars
- ❖ Unfavourable changes in taxes/levies

OUTLOOK

Though the Indian passenger vehicle industry has reasons and prospects to grow at a good pace for a long time, the journey will not be smooth, as was seen in the year 2011-12. There were challenges in terms of adverse macroeconomics, demand slowdown, petrol-diesel price distortion, adverse foreign exchange rates and turbulence

in industrial relations. The market share and profitability of the Company were adversely impacted. While the growth prospects in India are fundamentally positive, challenges like these and the impact of business cycles cannot be ruled out. Competitive intensity will also increase in the future. The differentiating factor is the management's commitment not to accept adversity, to learn from every opportunity and emerge stronger, to look for areas in its sphere of influence rather than surrendering to external adversity, to keep investing and strengthening for the long term, promote the well being of its stakeholders and stay focused on the needs of its customers. The Company has some good enablers in the areas of management talent and commitment, relevant technology, a proximate and caring network, sensitivity to new customer lifestyles and potential segments, a culture of efficiency and cost consciousness, promotion of superior management practices in its vendors and dealers and scalability in all these areas. Unfazed by the

past, but avoiding complacency at all times, the Company will keep working hard to strengthen its market leadership and profitability and its ability to continue serving society.

Disclaimer

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations are categorised as 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include an onward trend in the domestic auto industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

Auditors' Report

To The Members of Maruti Suzuki India Limited

1. We have audited the attached Balance Sheet of Maruti Suzuki India Limited (the "Company"), as at 31st March, 2012, and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
 - i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items, except furniture and fixtures, office appliances and certain other assets having an aggregate net book value of ₹ 1,645 million, over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
 - ii)
 - (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii) The Company has not taken / granted any loans, secured or unsecured, from / to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. In respect of purchase of goods and materials including components from the holding company, the prices paid for these items are not comparable as these are of special nature.
- vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues as applicable with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax, sales-tax, wealth tax, service tax, customs duty and excise duty as at 31st March, 2012 which have not been deposited on account of any dispute are as follows:

(₹ in million)				
Name of the statute (Nature of Dues)	Amount under dispute	Amount deposited under protest	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961 (Tax & Interest)	10,847	6,135	1991 to 2011	Income Tax Appellate Tribunal/ High Court/ Commissioner Income Tax (Appeals)/AO(TDS)
Wealth Tax Act, 1957 (Tax)	1	1	1997 to 1998	High Court
Haryana General Sales Tax Act (Tax & Interest)	3	-	1983 to 1988	Assessing Authority
Delhi Sales Tax Act (Tax)	47	2	1987 to 1991	Additional Commissioner
The Central Excise Act, 1944 (Duty, Interest & Penalty)	2,149	6	May 1989 to September 2010	Customs Excise & Service Tax Appellate Tribunal/ High Court/ Supreme Court
The Finance Act, 1994 (Service Tax, Interest & Penalty)	171	3	July 2003 to March 2011	Customs Excise & Service Tax Appellate Tribunal
Customs Act, 1962 (Duty & Interest)	27	22	February 2003 to August 2003	Customs Excise & Service Tax Appellate Tribunal

For detailed listing refer Note 54

- x) The Company has no accumulated losses.
- xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the Company.
- xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi) In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

- xix) The Company has not issued any debentures during the year; and does not have any debentures outstanding as at the year end.
- xx) The Company has not raised any money by public issue during the year.
- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
4. Further to our comments in paragraph 3 above, we report that:
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section(3C) of Section 211 of the Act and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in sub-section (3C) of Section 211 of the Act;
- (e) On the basis of written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- (ii) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Price Waterhouse**

Firm Registration Number: FRN 301112E
Chartered Accountants

Abhishek Rara

Partner

Membership Number - F 77779

Place: Gurgaon
Date: 28th April, 2012

Balance Sheet

AS AT 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	Notes to Accounts	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	1,445	1,445
Reserves and Surplus	3	150,429	137,230
		151,874	138,675
NON-CURRENT LIABILITIES			
Long Term Borrowings	4	-	1,390
Deferred Tax Liabilities (Net)	5	3,023	1,644
Other Long Term Liabilities	6	966	959
Long Term Provisions	7	1,683	1,396
		5,672	5,389
CURRENT LIABILITIES			
Short Term Borrowings	8	10,783	312
Trade Payables	9	33,499	26,083
Other Current Liabilities	10	15,892	9,930
Short Term Provisions	11	5,302	3,862
		65,476	40,187
TOTAL		223,022	184,251
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible Assets	12	73,108	54,837
Intangible Assets	13	2,099	457
Capital Work in Progress	14	6,114	8,625
		81,321	63,919
Non-Current Investments	15	13,933	11,112
Long Term Loans and Advances	16	16,715	12,547
Other Non-Current Assets	17	263	471
		112,232	88,049
CURRENT ASSETS			
Current Investments	18	47,541	39,956
Inventories	19	17,965	14,150
Trade Receivables	20	9,376	8,245
Cash and Bank Balances	21	24,361	25,085
Short Term Loans and Advances	22	7,783	6,836
Other Current Assets	23	3,764	1,930
		110,790	96,202
TOTAL		223,022	184,251

The notes are an integral part of these financial statements. This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	Notes to Accounts	For the Year ended 31.03.2012	For the Year ended 31.03.2011
REVENUE FROM OPERATIONS			
Gross Sale of Products	24	386,141	401,021
Less: Excise Duty		39,082	42,531
Net Sale of Products		347,059	358,490
Other Operating Revenue	25	8,812	7,694
		355,871	366,184
Other Income	26	8,268	5,088
Total Revenue		364,139	371,272
EXPENDITURE			
Cost of Material Consumed	44(i)	267,070	271,418
Purchase of Stock-in-Trade	48	15,325	12,781
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(1,312)	(560)
Employees Benefit Expenses	28	8,438	7,036
Finance Costs	29	552	250
Depreciation and Amortisation Expense	30	11,384	10,135
Other Expenses	31	41,647	39,381
Vehicles / Dies for Own Use		(427)	(257)
Total Expenses		342,677	340,184
Profit before Tax		21,462	31,088
Less : Tax Expense - Current Tax		4,138	8,101
- Deferred Tax		972	101
Profit for the Year		16,352	22,886
Basic / Diluted Earnings Per Share of ₹ 5 each (in ₹)	49	56.60	79.22

The notes are an integral part of these financial statements. This is the Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	For the Year ended 31.03.2012	For the Year ended 31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	21,462	31,088
Adjustments for:		
Depreciation and amortisation	11,384	10,135
Finance cost	552	250
Interest income	(4,036)	(2,082)
Dividend income	(699)	(2,111)
Net loss on sale / discarding of fixed assets	157	79
Profit on sale of investments (Net)	(2,442)	(571)
Provisions no longer required written back	(1,091)	(189)
Unrealised foreign exchange (gain)/ loss	556	(20)
Operating Profit before Working Capital changes	25,843	36,579
Adjustments for changes in Working Capital :		
- Increase/(Decrease) in Trade Payables	7,416	4,720
- Increase/(Decrease) in Short Term Provisions	218	104
- Increase/(Decrease) in Long Term Provisions	1,231	556
- Increase/(Decrease) in Other Current Liabilities	2,000	(45)
- Increase/(Decrease) in Other Long Term Liabilities	7	87
- (Increase)/Decrease in Trade Receivables	(1,131)	(1,222)
- (Increase)/Decrease in Inventories	(3,815)	(2,061)
- (Increase)/Decrease in Loans and Advances	(5,115)	(800)
- (Increase)/Decrease in Other Current Assets	(1,970)	517
- (Increase)/Decrease in Other Non Current Assets	119	(353)
Cash generated from Operating Activities	24,803	38,082
- Taxes (Paid) (Net of Tax Deducted at Source)	(2,509)	(9,888)
Net Cash from Operating Activities	22,294	28,194
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(26,392)	(21,511)
Sale of Fixed Assets	67	84
Sale of Investments	159,780	340,722
Purchase of Investments	(167,598)	(319,452)
Interest Received	4,261	1,476
Dividend Received	699	2,111
Net Cash from Investing Activities	(29,183)	3,430

Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	For the Year ended 31.03.2012	For the Year ended 31.03.2011
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Short Term borrowings	10,783	312
Repayment of Short Term borrowings	(312)	(4,015)
Repayment of Long Term borrowings	(1,362)	(1,420)
Interest Paid	(426)	(314)
Dividend Paid	(2,167)	(1,733)
Corporate Dividend Tax Paid	(351)	(351)
Net Cash from Financing Activities	6,165	(7,521)
Net Increase/(Decrease) in Cash & Cash Equivalents	(724)	24,103
Cash and Cash Equivalents as at 1st April (Opening Balance)	25,085	982
Cash and Cash Equivalents as at 31st March (Closing Balance)	24,361	25,085
Cash and Cash Equivalents comprise	24,361	25,085
Cash & Cheques in Hand	696	861
Balance with Banks	65	94
Balance with Scheduled Banks in Deposit Accounts	23,600	24,130

Notes :

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 on "Cash Flow Statement" notified under Section 211 (3C) of the Companies Act, 1956.
- Cash and Cash Equivalents include ₹ 5 million (Previous Year ₹ 5 million) in respect of unclaimed dividend, the balance of which is not available to the Company.
- Figures in brackets represents cash outflow.

This is the Cash Flow Statement referred to in our report of even date

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL INFORMATION

The Company is primarily in the business of manufacturing, purchase and sale of motor vehicles and spare parts ("automobiles"). The other activities of the Company comprise facilitation of Pre-Owned Car sales, Fleet Management and Car Financing. The Company is a public company listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

1.2 BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material respects with all the applicable accounting principles in India, the applicable accounting standards notified under Section 211(3C) of the Companies Act, 1956, Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict with any other accounting standard referred to Section 211 (3C) of the Act, other recognised accounting practices and policies and the relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

1.3 REVENUE RECOGNITION

Domestic and export sales are recognised on transfer of significant risks and rewards to the customer which takes place on dispatch of goods from the factory / stockyard / storage area and port respectively.

1.4 FIXED ASSETS

- a) Fixed assets (except freehold land which is carried at cost) are carried at cost of acquisition or construction or at manufacturing cost (in case of own manufactured assets) in the year of capitalisation less accumulated depreciation.
- b) Assets acquired under finance leases are capitalised at the lower of their fair value and the present value of minimum lease payments.

1.5 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised till the month in which each asset is put to use as part of the cost of that asset.

1.6 DEPRECIATION / AMORTISATION

- a) Fixed assets except leasehold land are depreciated on the straight line method on a pro-rata basis from the month in which each asset is put to use.

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Depreciation has been provided at the rates prescribed in Schedule XIV to the Companies Act, 1956 except for certain fixed assets where, based on the management's estimate of the useful lives of the assets, higher depreciation has been provided on the straight line method over the following useful lives:

Plant and Machinery	8 – 11 Years
Dies and Jigs	4 Years
Electronic Data Processing Equipment	3 Years

In respect of assets whose useful lives has been revised, the unamortised depreciable amount is charged over the revised remaining useful lives of the assets.

- b) Leasehold land is amortised over the period of lease.
- c) All assets, the individual written down value of which at the beginning of the year is ₹ 5,000 or less, are depreciated at the rate of 100 per cent. Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100 per cent.
- d) Lump sum royalty is amortised on a straight line basis over 4 years from the start of production of the related model.

1.7 INVENTORIES

- a) Inventories are valued at the lower of cost, determined on the weighted average basis, and net realisable value.
- b) Tools are written off over a period of three years except for tools valued at ₹ 5,000 or less individually which are charged to revenue in the year of purchase.
- c) Machinery spares (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged to revenue on consumption except those valued at ₹ 5,000 or less individually, which are charged to revenue in the year of purchase.

1.8 INVESTMENTS

Current investments are valued at the lower of cost and fair value. Long-term investments are valued at cost except in the case of a decline in value other than temporary, in which case the necessary provision is made.

1.9 RESEARCH AND DEVELOPMENT

Revenue expenditure on Research and Development is charged against the profit for the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to fixed assets and depreciated accordingly.

1.10 FOREIGN CURRENCY TRANSLATIONS AND DERIVATIVE INSTRUMENTS

- a) Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transactions. Exchange differences arising on settlement of transactions are recognised as income or expense in the year in which they arise.

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TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

- b) At the balance sheet date, all monetary assets and liabilities denominated in foreign currency are reported at the exchange rates prevailing at the balance sheet date by recognising the exchange difference in profit and loss account. However, the exchange difference arising on foreign currency monetary items that qualify and are designated as hedge instruments in a cash flow hedge is initially recognised in 'hedge reserve' and subsequently transferred to the statement of profit & loss on occurrence of the underlying hedged transaction.
- c) Effective 1st April, 2008, the Company adopted Accounting Standard -30, "Financial Instruments: Recognition and Measurement" issued by The Institute of Chartered Accountants of India to the extent the adoption does not contradict with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 and other regulatory requirements.
- d) All derivative contracts (except for forward foreign exchange contracts where underlying assets or liabilities exist) are fair valued at each reporting date. For derivative contracts designated in a hedging relationship, the Company records the gain or loss on effective hedges, if any, in a hedge reserve, until the transaction is complete. On completion, the gain or loss is transferred to the statement of profit and loss of that period. Changes in fair value relating to the ineffective portion of the hedges and derivatives not qualifying or not designated as hedges are recognised in the statement of profit and loss in the accounting period in which they arise.
- e) In the case of forward foreign exchange contracts where an underlying asset or liability exists, the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Profit or loss arising on cancellation or renewal of a forward contract is recognised as income or expense in the year in which such cancellation or renewal is made.

1.11 EMPLOYEE BENEFIT COSTS

Short - Term Employee Benefits:

Recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

Post Employment and Other Long Term Employee Benefits :

- (i) The Company has Defined Contribution Plans for post employment benefit namely the Superannuation Fund which is recognised by the income tax authorities. This Fund is administered through a Trust set up by the Company and the Company's contribution thereto is charged to revenue every year. The Company also maintains an insurance policy to fund a post-employment medical assistance scheme, which is a Defined Contribution Plan administered by The New India Insurance Company Limited. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to statement of profit and loss every year.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

- (ii) The Company has Defined Benefit Plans namely Gratuity, Provident Fund and Retirement Allowance for employees and Other Long Term Employee Benefits i.e. Leave Encashment / Compensated Absences, the liability for which is determined on the basis of an actuarial valuation at the end of the year based on Projected Unit Credit Method and any shortfall in the size of the fund maintained by the Trust is additionally provided for in the statement of profit and loss. The Gratuity Fund and Provident Fund are recognised by the income tax authorities and is administered through Trusts set up by the Company.

Termination benefits are immediately recognised as an expense.

Gains and losses arising out of actuarial valuations are recognised immediately in the statement of profit and loss as income or expense.

1.12 CUSTOMS DUTY

Custom duty available as drawback is initially recognised as purchase cost and is credited to consumption of materials on exported vehicles.

1.13 GOVERNMENT GRANTS

Government grants are recognised in the statement of profit and loss in accordance with the related schemes and in the period in which these accrue.

1.14 TAXES

Tax expense for the year, comprising current tax and deferred tax, is included in determining the net profit/ (loss) for the year.

Current tax is recognised based on assessable profit computed in accordance with the Income Tax Act and at the prevailing tax rate.

Deferred tax is recognised for all timing differences. Deferred tax assets are carried forward to the extent it is reasonably / virtually certain that future taxable profit will be available against which such deferred tax assets can be realised.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Deferred tax assets / Minimum Alternative Tax credit are reviewed at each balance sheet date and written down/ written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date.

1.15 DIVIDEND INCOME

Dividend from investments is recognised when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

1.16 INTEREST INCOME

Interest income is recognised on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

1.17 IMPAIRMENT OF ASSETS

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

1.18 ROYALTY

- a) The Company pays / accrues for royalty in accordance with the relevant agreements with the technical know-how providers.
- b) The lump sum royalty incurred towards obtaining technical assistance / technical know how to manufacture a new model/ car, ownership of which rests with the technical know how provider, is recognised as an intangible asset in accordance with the requirements of Accounting Standard-26 "Intangible Assets". Royalty payable on sale of products i.e. running royalty is charged to profit and loss account as and when incurred.

1.19 PROVISIONS AND CONTINGENCIES

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

1.20 CASH AND CASH EQUIVALENTS

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

2. SHARE CAPITAL

	As at 31.03.2012	As at 31.03.2011
Authorised Capital		
744,000,000 equity shares of ₹ 5 each (Previous year 744,000,000 equity shares of ₹ 5 each)	3,720	3,720
Issued, Subscribed and Paid up		
288,910,060 equity shares of ₹ 5 each (Previous year 288,910,060 equity shares of ₹ 5 each) fully paid up	1,445	1,445
	1,445	1,445

Equity shares held by the holding company and its nominees

	As at 31.03.2012		As at 31.03.2011	
	Number of Shares	Amount	Number of Shares	Amount
Suzuki Motor Corporation, the holding company	156,618,440	783	156,618,360	783
Shinzo Nakanishi (Nominee of Suzuki Motor Corporation)	-	-	20	0
Kinji Saito (Nominee of Suzuki Motor Corporation)	-	-	20	0
Shinichi Takeuchi (Nominee of Suzuki Motor Corporation)	-	-	20	0
Motohiro Atsumi (Nominee of Suzuki Motor Corporation)	-	-	20	0
	156,618,440	783	156,618,440	783

Reconciliation of the number of shares outstanding

	As at 31.03.2012		As at 31.03.2011	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year and at the end of the year	288,910,060	1,445	288,910,060	1,445
	288,910,060	1,445	288,910,060	1,445

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Rights, preferences and restriction attached to shares

The Company has one class of equity shares with a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

	%	Number of Shares	%	Number of Shares
Suzuki Motor Corporation (the holding company) and its nominees	54.21	156,618,440	54.21	156,618,440
Life Insurance Corporation of India	8.45	24,399,405	8.79	25,384,888
HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	4.88	14,106,975	5.9	17,053,250

3. RESERVES AND SURPLUS

	As at 31.03.2012	As at 31.03.2011
Securities Premium Account	4,241	4,241
General Reserve		
Balance as at the beginning of the year	14,217	11,928
Add : Transferred from Surplus in Statement of Profit and Loss	1,635	2,289
Balance as at the end of the year	15,852	14,217
Hedge Reserve		
Balance as at the beginning of the year	194	238
Less : Release / adjustments during the year	635	44
Balance as at the end of the year	(441)	194
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	118,578	100,499
Add : Profit for the year	16,352	22,886
Less : Appropriations:		
Transferred to General Reserve	1,635	2,289
Proposed dividend	2,167	2,167
Dividend distribution tax	351	351
Balance as at the end of the year	130,777	118,578
	150,429	137,230

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

4. LONG TERM BORROWINGS

(Refer Note 10)

	As at 31.03.2012	As at 31.03.2011
Unsecured		
Foreign Currency Loans from Banks	-	1,390
	-	1,390

1. Foreign Currency Loans are repayable in 8 half yearly instalments starting in July 2009

- to Japan Bank of International Cooperation along with interest rate of LIBOR + 0.125.
- to Bank of Tokyo Mitsubishi along with interest rate of LIBOR + 0.100.

2. The repayment of above mentioned foreign currency loans are guaranteed by Suzuki Motor Corporation, Japan (the holding company)

5. DEFERRED TAX LIABILITIES (NET)

Major components of deferred tax arising on account of timing differences along with their movement as at 31st March, 2012 are :

Deferred Tax Assets	31.03.2011	Movement during the year	31.03.2012
Provision for doubtful debts / advances	184	(8)	176
Contingent provisions	203	(51)	152
Others	481	16	497
TOTAL (A)	868	(43)	825
Deferred Tax Liabilities			
Depreciation on fixed assets	2,280	1,170	3,450
Exchange gain on capital accounts	(73)	(186)	(259)
Allowances under Income Tax Act, 1961	305	352	657
TOTAL (B)	2,512	1,336	3,848
Net Deferred Tax Liability* (B) - (A)	1,644	1,379	3,023
Previous Year	1,370	274	1,644

* Includes adjustment of ₹ 407 million (Previous year ₹ 173 million) on account of reclassification to "Deferred Tax Liabilities" from "Provision for Taxation"

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

6. OTHER LONG TERM LIABILITIES

	As at 31.03.2012	As at 31.03.2011
Deposits from dealers, contractors and others	966	959
	966	959

7. LONG TERM PROVISIONS

	As at 31.03.2012		As at 31.03.2011	
Provisions for employee benefits				
Provision for retirement allowance	35		35	
Other provisions				
Provision for litigation / disputes	909		869	
Provision for warranty & product recall	739	1,648	492	1,361
	1,683		1,396	

Details of Other Provisions:

	Litigation / Disputes		Warranty/ Product Recall		Others	
	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011
Balance at the beginning of the year	897	819	929	810	16	16
Additions during the year	102	81	581	393	1	-
Utilised/ reversed during the year	90	3	179	274	7	-
Balance as at the end of the year	909	897	1,331	929	10	16
Classified as Long Term	909	869	739	492	-	-
Classified as Short Term	-	28	592	437	10	16
TOTAL	909	897	1,331	929	10	16

- Provision for litigation / disputes represents the estimated outflow in respect of disputes with various government authorities.
- Provision for warranty and product recall represents the estimated outflow in respect of warranty and recall cost for products sold.
- Provision for others represents the estimated outflow in respect of disputes or other obligations on account of excise duty, export obligation etc.
- Due to the nature of the above costs, it is not possible to estimate the timing / uncertainties relating to their outflows as well as the expected reimbursements from such estimates.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

8. SHORT TERM BORROWINGS

	As at 31.03.2012	As at 31.03.2011
Unsecured		
From banks - cash credit	80	312
From banks - buyers credit and packing credit loans	10,703	-
	10,783	312

9. TRADE PAYABLES

	As at 31.03.2012	As at 31.03.2011
Trade Payables		
Due to Micro and Small enterprises	288	172
Others	33,211	25,911
	33,499	26,083

The Company pays its vendors within 30 days and no interest during the year has been paid or is payable under the terms of the Micro, Small and Medium Enterprises Development Act, 2006.

10. OTHER CURRENT LIABILITIES

	As at 31.03.2012	As at 31.03.2011
Current maturities of long term debts (Refer Note 4 above)	1,586	1,390
Interest accrued but not due on:		
- Borrowings	126	4
- Deposits from dealers, contractors and others	43	169
	39	43
Unclaimed dividend *	5	5
Creditors for capital goods	5,223	2,606
Other payables	1,746	738
Book overdraft	1,366	1,224
Advances from customers/dealers	2,449	1,726
Statutory dues	2,163	1,895
Deposits from dealers, contractors and others	1,185	14,132
	303	8,492
	15,892	9,930

* Unclaimed dividend does not include any amount due to be deposited to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

11. SHORT TERM PROVISIONS

	As at 31.03.2012		As at 31.03.2011	
Provisions for employee benefits				
(Refer Note 7 and 28)				
Provision for retirement allowances	2		2	
Provision for compensated absences	850	852	753	755
Other provisions				
(Refer Note 7)				
Provision for litigation / disputes	-		28	
Provision for warranty & product recall	592		437	
Provision for proposed dividend*	2,167		2,167	
Provision for corporate dividend tax	351		351	
Provision for taxation [Net of tax paid ₹ 63,730 million (Previous year ₹ 61,217 million)]	1,330		108	
Provision for others	10	4,450	16	3,107
		5,302		3,862

* The final dividend proposed for the year is as follows:

	As at 31.03.2012	As at 31.03.2011
On equity shares of ₹ 5 each:		
Amount of dividend proposed	2,167	2,167
Dividend per equity share	₹ 7.50	₹ 7.50

Notes

TO THE FINANCIAL STATEMENTS

12. TANGIBLE ASSETS

(All amounts in ₹ million, unless otherwise stated)

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at	Additions	Deductions/	Upto	For the	Deductions/	As at	As at	As at
	01.04.2011		Adjustments	01.04.2011	year	Adjustments	31.03.2012	31.03.2012	31.03.2011
Freehold Land (Note 1,3 & 4 below)	9,506	2,798	-	-	-	-	12,304	-	9,506
Leasehold Land	1,352	512	-	9	13	-	1,864	22	1,343
Building	7,645	3,284	-	1,547	269	-	10,929	1,816	6,098
Plant and Machinery	95,567	22,321	(1,301)	58,822	10,471	(1,181)	116,587	68,112	36,745
Electronic Data Processing Equipment	1,296	224	(108)	1,096	155	(108)	1,412	1,143	200
Furniture, Fixtures and Office Appliances	802	109	-	278	49	(1)	911	326	524
Vehicles	561	258	(142)	140	54	(37)	677	157	421
TOTAL	116,729	29,506	(1,551)	61,892	11,011	(1,327)	144,684	71,576	54,837
Previous Year Figures	103,873	14,892	(2,036)	53,785	9,979	(1,872)	116,729	61,892	54,837

- Freehold land costing ₹ 5,268 million (Previous year ₹ 5,304 million) is not yet registered in the name of the Company. A part of this land has been made available to group companies.
- Plant and Machinery (gross block) includes pro-rata cost amounting to ₹ 374 million (Previous year ₹ 374 million) of a Gas Turbine jointly owned by the Company with its group companies and other companies.
- Freehold Land includes 600 acres of land allotted to the Company by Haryana State Industrial Development Corporation, a part of which has been made available to group companies.
- Additions to free hold land includes ₹ 2,354 million accrued for as price adjustment claimed by the authority which allotted the land in an earlier year.

13. INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at	Additions	Deductions/	Upto	For the	Deductions/	As at	As at	As at
	01.04.2011		Adjustments	01.04.2011	year	Adjustments	31.03.2012	31.03.2012	31.03.2011
Own Assets (Acquired):									
Lump sum royalty	648	2,015	-	191	373	-	2,663	564	457
TOTAL	648	2,015	-	191	373	-	2,663	564	457
Previous Year Figures	194	454	-	35	156	-	648	191	457

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

14. CAPITAL WORK IN PROGRESS

	As at 31.03.2012	As at 31.03.2011
Plant and Machinery	3,796	6,045
Civil Work in Progress	2,318	2,580
	6,114	8,625

15. NON-CURRENT INVESTMENTS

[Refer Note 53]

	As at 31.03.2012		As at 31.03.2011	
Trade Investment (valued at cost, unless otherwise stated)				
Investment in subsidiaries (unquoted)	15		15	
Investment in joint ventures (unquoted)	1,071		1,071	
Investment in associates:				
- quoted	111		111	
- unquoted	4,171		2,912	
	5,368		4,109	
Less: Provision for diminution other than temporary in value of investments	-	5,368	147	3,962
Other Investment (valued at cost unless otherwise stated)				
Investment in corporate bonds - quoted	-		7,000	
Investment in mutual funds - unquoted	8,565		150	
Investment in preference shares - unquoted	50		50	
	8,615		7,200	
Less: Provision for diminution other than temporary in value of investments	50	8,565	50	7,150
		13,933		11,112
Aggregate value of unquoted investments		13,872		4,198
Aggregate value of quoted investments		111		7,111
Market value of quoted investments *		1,723		2,640
Aggregate value of provision for diminution other than temporary in value of investments		50		197

* Market value of corporate bonds was not available as at 31st March, 2011

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

16. LONG TERM LOANS AND ADVANCES

	As at 31.03.2012		As at 31.03.2011	
Capital advances				
Unsecured - considered good	7,949		5,624	
- considered doubtful	13		13	
	7,962		5,637	
Less: Provision for doubtful capital advances	13	7,949	13	5,624
Security deposits				
Unsecured - considered good		98		91
Loans and advances to related parties				
Unsecured - considered good		1,800		1,800
Taxes paid under dispute				
Unsecured - considered good		6,481		4,498
Inter corporate deposits - considered doubtful	125		125	
Less: Provision for doubtful deposits	125	-	125	-
Other Loans and Advances				
Secured - considered good	12		17	
Unsecured - considered good	375		517	
- considered doubtful	73		81	
	460		615	
Less: Provision for doubtful other loans and advances	73	387	81	534
	16,715		12,547	

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

17. OTHER NON-CURRENT ASSETS

	As at 31.03.2012		As at 31.03.2011	
Interest Accrued on Deposits, Loans and Advances				
Secured - considered good	11		18	
- considered doubtful	-		6	
	11		24	
Less Provision for doubtful interest	-	11	6	18
Unsecured - considered good	-		82	
- considered doubtful	1		1	
	1		83	
Less Provision for doubtful interest	1	-	1	82
Claims				
Unsecured - considered good	246		365	
- considered doubtful	27		27	
	273		392	
Less Provision for doubtful claims	27	246	27	365
Others		6		6
		263		471

18. CURRENT INVESTMENTS

[Refer Note 53]

	As at 31.03.2012	As at 31.03.2011
Investment in mutual funds - unquoted	47,541	39,956
	47,541	39,956

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

19. INVENTORIES

[Refer Note 46]

	As at 31.03.2012		As at 31.03.2011	
Components and Raw Materials				
At factory	5,415		4,164	
With vendors	333		375	
In transit	4,165	9,913	3,045	7,584
Work in Progress		593		457
Finished Goods Manufactured				
At factory		5,334		4,049
Traded Goods				
At factory - vehicle	297		171	
At factory - vehicle spares	1,146		1,108	
In transit	43	1,486	27	1,306
Stores and Spares				
At factory		448		493
Tools				
At factory		191		261
		17,965		14,150

20. TRADE RECEIVABLES

Unsecured - considered good		
Outstanding for a period exceeding six months from the date they are due for payment	18	108
Others	9,358	8,137
	9,376	8,245
Unsecured - considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	35	179
Less Provision for doubtful debts	35	179
	-	-
	9,376	8,245

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

21. CASH AND BANK BALANCES

	As at 31.03.2012		As at 31.03.2011	
Cash and Cash Equivalents				
Cash on hand	5		4	
Cheques and drafts on hand	691		857	
Bank balances in current accounts	60		89	
Deposits (less than 3 months maturity)	1,000	1,756	-	950
Other Bank Balances				
Deposits (more than 3 months and upto 12 months maturity)	5,600		10,840	
Long term deposits (more than 12 months maturity)	17,000		13,290	
Unclaimed dividend accounts	5	22,605	5	24,135
		24,361		25,085

22. SHORT TERM LOANS AND ADVANCES

Loans and Advances to Related Parties				
Unsecured - considered good		867		894
Balance with Customs, Port Trust and Other Government Authorities				
Unsecured - considered good		5,044		4,187
Other Loans and Advances				
Secured - considered good	5		5	
Unsecured - considered good	1,867	1,872	1,750	1,755
		7,783		6,836

23. OTHER CURRENT ASSETS

Interest Accrued on Deposits, Loans and Advances				
Secured - considered good	6		6	
Unsecured - considered good	530	536	666	672
Claims				
Unsecured - considered good		788		544
Other receivable - steel coils				
Unsecured - considered good		2,431		632
Others				
Unsecured - considered good	9		82	
Unsecured - considered doubtful	-		87	
	9		169	
Less Provision for doubtful debts	-	9	87	82
		3,764		1,930

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

24. GROSS SALE OF PRODUCTS

(Refer Note 46)

	For the year ended 31.03.2012	For the year ended 31.03.2011
Vehicles	362,111	380,607
Spare parts / dies and moulds / components	24,030	20,414
	386,141	401,021

25. OTHER OPERATING REVENUE

Income from services	1,719	1,715
[Net of expenses of ₹ 689 million (Previous Year ₹ 378 million)]		
Sale of scrap	2,950	2,750
Cash discount received	2,018	1,919
Others	2,125	1,310
	8,812	7,694

26. OTHER INCOME

	For the year ended 31.03.2012		For the year ended 31.03.2011	
Interest Income (gross) on:				
a) Fixed deposits	2,330		681	
b) Corporate bonds	528		298	
c) Receivables from dealers	665		486	
d) Advances to vendors	210		253	
e) Income tax refund	295		360	
f) Others	8	4,036	4	2,082
Dividend Income from:				
a) Long term investments	60		45	
b) Others	639	699	2,066	2,111
Net gain on sale of investments				
a) Long term	2,434		478	
b) Short term	8	2,442	93	571
Provisions no longer required written back		1,091		189
Net gain on foreign currency transactions and translation		-		135
		8,268		5,088

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

27. (INCREASE) / DECREASE IN WORK IN PROGRESS, FINISHED GOODS AND SPARE PARTS

	For the year ended 31.03.2012		For the year ended 31.03.2011	
Work in Progress				
Opening stock	457		401	
Less: Closing stock	593	(136)	457	(56)
Finished Goods				
Opening stock	4,220		3,794	
Less: Closing stock	5,631		4,220	
	(1,411)		(426)	
Less: Excise duty on increase / (decrease) of finished goods	(289)	(1,122)	(132)	(294)
Spare Parts - Traded				
Opening stock	1,108		858	
Less: Closing stock	1,146	(38)	1,108	(250)
Traded Goods - in transit				
Opening stock	27		67	
Less: Closing stock	43	(16)	27	40
		(1,312)		(560)

28. EMPLOYEE BENEFIT EXPENSES

	For the year ended 31.03.2012	For the year ended 31.03.2011
Salaries, wages, allowances and other benefits	7,606	6,256
[Net of staff cost recovered ₹ 120 million (Previous year ₹ 99 million)]		
Contribution to provident and other funds	330	303
Staff welfare expenses	502	477
	8,438	7,036

The Company has calculated the various benefits provided to employees as under :

A. Defined Contribution Plans

- Superannuation Fund
- Post Employment Medical Assistance Scheme.

During the year the Company has recognised the following amounts in the statement of profit and loss :-

	March 31, 2012	March 31, 2011
Employers Contribution to Superannuation Fund*	44	35
Employers Contribution to Post Employment Medical Assistance Scheme.*	2	2

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

B. State Plans

- a) Employers contribution to Employee State Insurance.*
- b) Employers contribution to Employee's Pension Scheme 1995.*

During the year the Company has recognised the following amounts in the statement of profit and loss :-

	March 31, 2012	March 31, 2011
Employers contribution to Employee State Insurance.*	2	5
Employers contribution to Employee's Pension Scheme 1995.*	80	48

* Included in Contribution to Provident and Other Funds above

C. Defined Benefit Plans and Other Long Term Benefits

- a) Contribution to Gratuity Funds - Employee's Gratuity Fund.
- b) Leave Encashment/ Compensated Absence.
- c) Retirement Allowance
- d) Provident Fund

In accordance with Accounting Standard 15 (revised 2005), an actuarial valuation was carried out in respect of the aforesaid defined benefit plans and other long term benefits based on the following assumptions.

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Discount rate (per annum)	8.25%	9.00%	9.00%	9.00%	8.50%	8.50%	8.50%
Rate of increase in compensation levels	Not Applicable	6.00%	6.00%	0.00%	6.00%	6.00%	0.00%
Rate of return on plan assets.	8.55%	Not Applicable	9.00%	Not Applicable	Not Applicable	8.00%	Not Applicable
Expected average remaining working lives of employees (years)	25	22	22	22	22	22	22

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Changes in present value of obligations

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at beginning of the year	4,539	753	827	37	660	734	28
Interest cost	396	57	73	3	45	61	2
Current service cost	615	56	51	-	32	45	-
Benefits paid	101	141	28	-	172	21	-
Actuarial gain/ (loss) on obligations	10	125	(75)	(3)	188	7	7
Present value of obligation as at the year end	5,459	850	848	37	753	827	37

Changes in the fair value of plan assets

	March 31, 2012		March 31, 2011
	Provident Fund	Employees Gratuity Fund	Employees Gratuity Fund
Fair value of Plan Assets as at beginning of the year	4,670	827	734
Expected return on Plan Assets	399	74	59
Contribution	615	28	25
Benefits paid	101	28	21
Actuarial gain/ (loss) on obligations	(103)	6	30
Fair value of plan assets as at the year end	5,480	907	827

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Reconciliation of present value of defined benefit obligation and fair value of assets

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at the year end	5459	850	848	37	753	827	37
Fair value of plan assets as at the year end	5480	-	907	-	-	827	-
Surplus/ (Deficit)	21	(850)	60	(37)	(753)	-	(37)
Unfunded net asset/ (liability) recognised in balance sheet.	-	(850)	-	(37)	(753)	-	(37)

	March 31, 2010			March 31, 2009		
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at the year end	659	734	29	550	621	27
Fair value of plan assets as at the year end	-	734	-	-	621	-
Surplus/ (deficit)	(659)	-	(29)	(550)	-	(27)
Unfunded net asset/ (liability) recognised in balance sheet.	(659)	-	(29)	(550)	-	(27)

	March 31, 2008		
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at the year end	429	524	25
Fair value of plan assets as at the year end	-	491	-
Surplus/ (deficit)	(429)	(33)	(25)
Unfunded net asset/ (liability) recognised in balance sheet.	(429)	-	(25)

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Expenses recognised in the statement of profit & loss

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Current service cost	615	56	51	-	32	45	-
Interest cost	396	57	73	3	45	61	2
Expected return on plan assets	(399)	-	(74)	-	-	(59)	-
Settlement cost		-	-	-	-		-
Net actuarial gain/ (loss) recognised during the year	113	125	(81)	(3)	188	(23)	7
Total expense recognised in statement of profit & loss*	725	238	-	-	265	25	9

* Included in "Salaries Wages, Allowances and Other Benefits" above except for Employee Gratuity Fund which is included in "Contribution to Provident and Other Funds" above

Constitution of Plan Assets	Gratuity	
	March 31, 2012	March 31, 2011
(a) Debt Funds	324	379
(b) Others	583	448
TOTAL	907	827

The return on the investment is the nominal yield available on the format of investment as applicable to Approved Gratuity Fund under Rule 101 of Income Tax Act 1961.

Expected contribution on account of Gratuity for the year ending 31st March, 2012 can not be ascertained at this stage.

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

29. FINANCE COSTS

	For the year ended 31.03.2012		For the year ended 31.03.2011	
Interest on :				
- Foreign currency loans from banks	15		28	
- Buyers' credit and export credit	273		14	
- Deposits from dealers, contractors and others	259	547	202	244
Other borrowing costs		5		6
		552		250

30. DEPRECIATION & AMORTISATION EXPENSE

(Refer Note 12 & 13)

Depreciation / amortisation on tangible assets	11,011	9,979
Amortisation on intangible assets	373	156
	11,384	10,135

31. OTHER EXPENSES

Consumption of stores	911	702
Power and fuel [Net of amount recovered ₹ 1,716 million (Previous year ₹ 1,451 million)]	2,295	2,102
Rent (Refer Note 50)	156	155
Repairs and maintenance :		
- Plant and machinery	531	569
- Building	163	102
- Others	210	177
	904	848
Insurance	91	78
Rates, taxes and fees	826	873
Royalty	18,031	18,925
Tools / machinery spares charged off	1,548	1,304
Net loss on foreign currency transactions and translation	1,810	-
Advertisement	2,781	3,104
Sales promotion	1,965	1,688
Warranty and product recall	581	393
Transportation and distribution expenses	4,631	4,415
Net loss on sale / discarding of fixed assets	157	79
Provision for doubtful debts	21	-
Other miscellaneous expenses	4,939	4,715
	41,647	39,381

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

32. CONTINGENT LIABILITIES:

a) Claims against the Company disputed and not acknowledged as debts:

	As at 31.03.2012	As at 31.03.2011
(i) Excise Duty		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal	1,065	1,066
(b) Show cause notices / orders on the subjects covered in (i) (a) above for other periods	1,652	1,932
(c) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	14,842	10,631
TOTAL	17,559	13,629
Amount deposited under protest	3	3
(ii) Service Tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal	11	357
(b) Show cause notices / orders on the subjects covered in (ii) (a) above for other periods	3,690	2,775
(c) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	1,729	3,348
TOTAL	5,430	6,480
Amount deposited under protest	3	2
(iii) Income Tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal	6,230	6,491
(b) Cases pending before Appellate authorities / Dispute Resolution Panel in respect of which the Company has filed appeal	9,699	6,002
TOTAL	15,929	12,493
Amount deposited under protest	6,135	4,178
(iv) Customs Duty		
Cases pending before Appellate authorities in respect of which the Company has filed appeals	118	118
Amount deposited under protest	22	22
(v) Sales Tax		
Cases pending before Appellate authorities in respect of which the Company has filed appeals	50	50
Amount deposited under protest	2	2

(vi) Claims against the Company for recovery of ₹ 576 million (Previous year ₹ 597 million) lodged by various parties

(vii) The company has received and accounted for a demand for an interim price adjustment of ₹ 2,354 million for a freehold land acquired from a state government authority in an earlier year. The amount payable, if any, on account of final price adjustment can not be ascertained at this stage.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

- b) The amounts shown in the item (a) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.
33. Outstanding commitments under Letters of Credit established by the Company aggregate ₹ 1,773 million (Previous year ₹ 9,294 million).
34. Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for, amount to ₹ 26 338 million (Previous year ₹ 25,943 million).
35. Consumption of raw materials and components has been computed by adding purchases to the opening stock and deducting closing stock physically verified by the management.
36. The Company was granted sales tax benefit in accordance with the provisions of Rule 28C of Haryana General Sales Tax Rules, 1975 for the period from 1st August, 2001 to 31st July, 2015. The ceiling amount of concession to be availed of during entitlement period is ₹ 5,644 million. Till 31st March 2012, the Company has availed of / claimed sales tax benefit amounting to ₹ 2,331 million (Previous year ₹ 2,118 million).
37. The Company has considered "business segment" as the primary segment. The Company is primarily in the business of manufacture, purchase and sale of motor vehicles and spare parts ("automobiles"). The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing. The income from these activities, which are incidental to the Company's business, is not material in financial terms but contribute significantly in generating the demand for the products of the Company. Accordingly, the Company has considered "Business Segment" as the primary segment and thus no business segment information is required to be disclosed.

The "Geographical Segments" have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

Financial information of geographical segments is as follows:

Particulars	2011-12				2010-11			
	Domestic	Overseas	Unallocated	TOTAL	Domestic	Overseas	Unallocated	TOTAL
Revenue from external customers	354,651	40,302	8,268	403,221	370,242	38,473	5,088	413,803
Segment assets	152,068	7,577	63,377	223,022	125,137	6,152	52,962	184,251
Capital expenditure during the year	29,010	-	-	29,010	22,972	-	-	22,972

Notes:-

- a) Domestic segment includes sales and services to customers located in India.
- b) Overseas segment includes sales and services rendered to customers located outside India.
- c) Unallocated revenue includes interest income, dividend income and profit on sale of investments.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

- d) Unallocated assets include other deposits, dividend bank account and investments.
- e) Segment assets includes fixed assets, inventories, sundry debtors, cash and bank balances (except dividend bank account), other current assets, loans and advances (except other deposits).
- f) Capital expenditure during the year includes fixed assets (tangible and intangible assets) and net additions to capital work in progress.

38. THE FOLLOWING EXPENSES INCURRED ON RESEARCH AND DEVELOPEMENT ARE INCLUDED UNDER RESPECTIVE ACCOUNT HEADS:

	2011-12	2010-11
Revenue Expenditure		
Employees remuneration and benefits	1,416	862
Other expenses of manufacturing and administration	788	985
Capital Expenditure	1,491	2,316
	3,695	4,163

39. AUDITORS' REMUNERATION*

Statutory audit	10.00	9.00
Other audit services / certification	1.48	0.20
Reimbursement of expenses	0.37	0.50

*Excluding service tax

40. CIF VALUE OF IMPORTS

Raw materials and components	30,451	29,691
Capital goods	11,625	8,250
Maintenance spares	280	246
Dies and moulds	15	31
Other items	852	826

41. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Fees for technical services	743	834
Traveling expenses	89	80
Running Royalty	18,031	18,925
Lumpsum Royalty	2,015	454
Expenditure Capitalised	1,086	1,792
Interest	274	34
Others	2,151	1,264

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

42. EARNINGS IN FOREIGN CURRENCY

	2011-12	2010-11
Export of goods (FOB basis)	36,918	34,988

43. DIVIDEND REMITTED IN FOREIGN CURRENCY (CASH BASIS)

Dividend for the year 2010-11 (Previous year 2009-10)	1,175	940
No. of non-resident shareholders	1	5
No. of shares for which dividend remitted	156,618,440	156,618,440

44. VALUE OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED

(i) Raw Materials And Components		
Imported	28,311	29,307
Indigenous	238,759	242,111
	267,070	271,418
Percentage of Total Consumption		
Imported	11%	11%
Indigenous	89%	89%
(ii) Machinery Spares		
Imported	460	234
Indigenous	751	717
	1,211	951
Percentage of Total Consumption		
Imported	38%	25%
Indigenous	62%	75%
(iii) Consumption of Stores		
Imported	91	101
Indigenous	820	601
	911	702
Percentage of Total Consumption		
Imported	10%	14%
Indigenous	90%	86%

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

45. LICENSED CAPACITY, INSTALLED CAPACITY AND ACTUAL PRODUCTION

Product	Unit	Licensed Capacity	Installed Capacity**	Actual Production
Passenger Cars and				
Light Duty Utility Vehicles	Nos.	- *	1,260,000	1,134,607
		(-)*	(1,000,000)	(1,273,361)

Notes:

* Licensed Capacity is not applicable from 1993-94.

** Installed Capacity is as certified by the management and relied upon by the auditors, being a technical matter. Previous Year figures are in brackets.

46. SALES, OPENING STOCK AND CLOSING STOCK

Product	Sales		Opening Stock		Closing Stock	
	Qty.(Nos.)	Value	Qty.(Nos.)	Value	Qty.(Nos.)	Value
Passenger Vehicles	1,133,695	362,111	16,222	4,220	16,485	5,631
	(1,271,005)	(380,607)	(14,600)	(3,794)	(16,222)	(4,220)
Spare Parts	*	24,001	*	1,296	*	1,319
	*	(20,353)	*	(1,019)	*	(1,296)
Dies And Moulds	*	29	*	-	*	-
	*	(61)	*	-	*	-
Work In Progress		NA		457		593
	*	(NA)	*	(401)	*	(457)

Notes :

- Traded goods comprise vehicles, spares, components and dies and molds. During the year 561 vehicles (previous year 331 vehicles) were purchased
- Closing Stock of vehicles is after adjustment of 61 vehicles (previous year - 22) totally damaged.
- Sales quantity excludes own use vehicles 961 Nos. (previous year - 962 Nos.)
- Sales quantity excludes sample vehicles 188 Nos. (previous year - 81 Nos.)
- Previous year figures are in brackets.
- In view of the innumerable sizes/numbers (individually less than 10%) of the components, spare parts and dies and moulds it is not possible to give quantitative details.

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

47. STATEMENT OF RAW MATERIALS AND COMPONENTS CONSUMED

Group Of Material	Unit	2011-12		2010-11	
		Qty.	Amount	Qty.	Amount
Steel coils	MT	200,256	10,568	226,237	10,668
Ferrous castings	MT	16,831	1,874	22,692	2,107
Non-ferrous castings	MT	15,507	2,302	19,015	2,792
Other components		*	250,651	*	253,951
Paints	K.LTR	5,795		6,573	
	MT	6,043	1,675	7,029	1,900
			267,070		271,418

* In view of the innumerable sizes/numbers (individually less than 10 %) of the components, spare parts and dies and moulds it is not possible to give quantitative details.

48. PURCHASE OF STOCK IN TRADE

	2011-12	2010-11
Traded spares	14,091	12,313
Traded vehicles	862	465
Others	372	3
	15,325	12,781

49. STATEMENT OF EARNING PER SHARE

	2011-12	2010-11
Net Profit after tax attributable to shareholders (in million ₹)	16,352	22,886
Weighted average number of equity shares outstanding during the year (Nos)	288,910,060	288,910,060
Nominal value per share (in ₹)	5.00	5.00
Basic/diluted earning per share (in ₹)	56.60	79.22

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

50. MINIMUM LEASE PAYMENTS OUTSTANDING AS ON 31ST MARCH, 12 IN RESPECT OF ASSETS TAKEN ON NON-CANCELLABLE OPERATING LEASES ARE AS FOLLOWS :-

	March 31, 2012	March 31, 2011
Due	Total Minimum Lease Payments Outstanding as on 31.03.2012	Total Minimum Lease Payments Outstanding as on 31.03.2011
Within one year	49	49
Later than one year but less than five years	212	207
Later than five years	741	796

	March 31, 2012	March 31, 2011
	Minimum Lease Payment	Minimum Lease Payment
Charged to rent expense	57	60

The Company has taken certain premises on cancellable operating lease. The rent expense amounting to ₹ 99 million (Previous year ₹ 95 million) has been charged to the statement of profit and loss account.

51. DERIVATIVE INSTRUMENTS OUTSTANDING AT THE BALANCE SHEET DATE:

1 (a) Forward Contracts:

- Forward contracts to buy JPY 48,477 million (Previous year JPY 9,200 million) against USD amounting to ₹ 29,794 million (Previous year ₹ 4,934 million).
- Forward contracts to buy USD 90 million (Previous year USD 196.50 million) against INR amounting to ₹ 4,579 million (Previous year ₹ 8,764 million). The above contracts have been undertaken to hedge against the foreign exchange exposures arising from transactions like royalty, import of goods and fixed assets.

(b) Forward Contracts / Range Forward contract against Exports:

- Forward contracts to sell USD 25 million (Previous year USD 15 million) against INR amounting to ₹ 1,272 million (Previous year ₹ 669 million).
- Forward contracts to sell EURO 28 million (Previous year EURO 100 million) against INR amounting to ₹ 1,901 million (Previous year ₹ 6,316 million)
- Forward contracts to sell GBP NIL (Previous year GBP 4 million) against INR amounting to NIL (Previous year ₹ 286 million)
- Range Forward Contracts to sell USD 30 million (Previous year USD 69 million) against INR amounting to ₹ 1,526 million (Previous year ₹ 3,077 million).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from export of goods.

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

(c) USD Floating rate/INR Floating rate cross-currency swap: Outstanding USD/INR Floating rate cross-currency swap is USD 31.175 million (Previous year USD 62.35 million) amounting to ₹ 1,586 million (Previous year ₹ 2,781 million)

(d) **Forward Contracts against Buyers Credit :**

Forward Contracts to buy JPY 3,961 million (Previous year Nil) against INR amounting to ₹ 2,434 million

Forward Contracts to buy USD 108 million (Previous year Nil) against INR amounting to ₹ 5,495 million.

The above contracts have been undertaken to hedge against the foreign exchange exposure arising from foreign currency loan.

2 The foreign currency exposures that are not hedged by a derivative instrument or otherwise are as follows:

(in million)

As at March 31, 2012						
	YEN	INR Equivalent	USD	INR Equivalent	EURO	INR Equivalent
Receivables	32	20	4	182	10	715
Payables	2,709	1,691	22	1,118	2	133

(in million)

As at March 31, 2011						
	YEN	INR Equivalent	USD	INR Equivalent	EURO	INR Equivalent
Receivables	-	-	25	1,114	11	689
Payables	20,065	10,839	15	671	5	300

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

52. STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Holding Company

Suzuki Motor Corporation

Joint Ventures

J.J. Impex (Delhi) Private Limited
Mark Exhaust Systems Limited
Bellsonica Auto Component India Private Limited
FMI Automotive Components Limited
Krishna Ishizaki Auto Limited
Inergy India Automotive Components Limited
Maruti Insurance Broking Private Limited
Manesar Steel Processing India Private Limited

Subsidiaries

Maruti Insurance Agency Services Limited
Maruti Insurance Agency Logistics Limited
Maruti Insurance Distribution Services Limited
Maruti Insurance Agency Network Limited
Maruti Insurance Agency Solutions Limited
True Value Solutions Limited
Maruti Insurance Business Agency India Limited
Maruti Insurance Broker Limited

Key Management Personnel

Mr Shinzo Nakanishi

Mr.Shuji Oishi

Mr Tsuneo Ohashi

Mr Keiichi Asai

Associates

Asahi India Glass Limited
Bharat Seats Limited
Caparo Maruti Limited
Climate Systems India Limited
Denso India Limited
Jay Bharat Maruti Limited
Krishna Maruti Limited
Machino Plastics Limited
SKH Metals Limited
Nippon Thermostat (India) Limited
Sona Koyo Steering Systems Limited
Magneti Marelli Powertrain India Private Limited
Suzuki Powertrain India *

Fellow Subsidiaries (Only with whom the Company had transactions during the year)

Suzuki International Europe G.m.b.H.
Suzuki Motor Iberica, S.A.U.
Suzuki Italia S.P.A.
Suzuki Austria Automobile Handels G.m.b.H.
Suzuki France S.A.S.
Magyar Suzuki Corporation Ltd.
Suzuki GB PLC
Suzuki Cars (Ireland) Ltd.
SUZUKI MOTOR POLAND SP. Z.O.O. (Former Suzuki Motor Poland Ltd.)
Suzuki Motorcycle India Private Ltd.
PT Suzuki Indomobil Motor (Former PT Indomobil Suzuki International)
Pak Suzuki Motor Co., Ltd.
Suzuki Philippines Inc.
Suzuki Motor (Thailand) Co., Ltd.
Suzuki Assemblers Malaysia Sdn. Bhd.
Suzuki Australia Pty. Ltd.
Suzuki New Zealand Ltd.
Suzuki Auto South Africa (Pty) Ltd
Taiwan Suzuki Automobile Corporation

	2011-12					2010-11								
	Joint Ventures	Subsidiaries	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL	Joint Ventures	Subsidiaries	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL
Outstanding at year end														
Loans and advances recoverable														
Suzuki PowerTrain India Limited			2,031				2,031			2,050				2,050
Asahi India Glass Limited			303				303							
Others	104	9	152	45	23		333	55		484	82	23		643
TOTAL	104	9	2,486	45	23	-	2,667	55	-	2,534	82	23	-	2,694
Amounts payable														
Suzuki Motor Corporation				9,740			9,740				10,165			10,165
Suzuki PowerTrain India Limited			2,301				2,301			966				966
Others	636	-	2,552	-	27	-	3,215	240	71	1,630	-	9	-	1,950
TOTAL	636	-	4,853	9,740	27	-	15,256	240	71	2,596	10,165	9	-	13,081
Guarantees given to third parties for the Company														
Suzuki Motor Corporation				1,586			1,586				2,781			2,781
Others														
TOTAL	-	-	-	1,586	-	-	1,586	-	-	-	2,781	-	-	2,781

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TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

	2011-12					2010-11								
	Joint Ventures	Subsidiaries	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL	Joint Ventures	Subsidiaries	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL
Finances (Equity & Loans)														
Suzuki PowerTrain India Limited			1,623	-	-	-	1,623							
Others			-	-	-	-	-	137	5	-	-	-	-	142
TOTAL			1,623				1,623	137	5					142
Amount recoverable														
SKH Metals Limited			563	-	-	-	563			268	-	-	-	268
Caparo Maruti Limited			372	-	-	-	372			87	-	-	-	87
Bellsonica Auto Component India Pvt. Ltd	987		-	-	-	-	987	135		-	-	-	-	135
PT Suzuki Indomobil Motor			-	-	692	-	692			-	524	-	-	524
Suzuki Australia Pty. Ltd.			-	-	357	-	357			-	-	-	-	-
Others	10		314	22	158	-	504	48		118	1	384	-	551
TOTAL	997		1,249	22	1,207		3,475	183		473	1	908		1,565
Goods in Transit - Comp Etc.														
Suzuki Motor Corporation			1,963	-	-	-	1,963			-	2,284	-	-	2,284
Others			-	-	-	-	-			-	-	-	-	-
TOTAL			1,963				1,963				2,284			2,284
Transaction during the year														
Amount recovered during the year														
Energy India Automotive Comp. Ltd	37		-	-	-	-	37							
Others			-	-	-	-	-			62	-	-	-	62
TOTAL	37						37			62				62
Purchases of Capital items														
Suzuki Motor Corporation			5,715	-	-	-	5,715			-	2,623	-	-	2,623
Others	89		260	-	5	-	354	16		553	-	2	-	571
TOTAL	89		260	5,715	5		6,069	16		553	2,623	2		3,194
Sale of goods														
Bellsonica Auto Component India Pvt. Ltd	1,729		-	-	-	-	1,729	636		-	-	-	-	636
Suzuki International Europe G.m.b.H.			-	-	1,762	-	1,762			-	1,124	-	-	1,124
Suzuki GB PLC			-	-	1,826	-	1,826			-	652	-	-	652
PT Indomobil Suzuki International			-	-	3,913	-	3,913			-	3,028	-	-	3,028
Others	177		3,010	82	4,819	-	8,088	184		2,190	125	6,245	-	8,744
TOTAL	1,906		3,010	82	12,320		17,318	820		2,190	125	11,049		14,184

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(All amounts in ₹ million, unless otherwise stated)

	2011-12					2010-11								
	Joint Ventures	Subsidiaries	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL	Joint Ventures	Subsidiaries	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL
Other Income														
Finance income/ commission/ Dividend														
Suzuki PowerTrain India Limited			525				525			479				479
Others	32		451				483	49		437				486
TOTAL	32	-	976	-	-	-	1,008	49	-	916	-	-	-	965
Other Misc Income														
Suzuki PowerTrain India Limited			1,052				1,052			846				846
Others	188		570	480	9		1,247	105		514				619
TOTAL	188	-	1,622	480	9	-	2,299	105	-	1,360	-	-	-	1,465
Expenditure														
Purchases of goods														
Suzuki Motor Corporation				21,149			21,149				21,518			21,518
Suzuki Powertrain India Ltd.		41,900					41,900			39,053				39,053
Others	8,919		46,730		3		55,652	7,970		50,678				58,648
TOTAL	8,919	-	88,630	21,149	3	-	118,701	7,970	-	89,731	21,518	-	-	119,219
Proposed Dividend														
Suzuki Motor Corporation				1,175			1,175				1,175			1,175
TOTAL	-	-	-	1,175	-	-	1,175	-	-	-	1,175	-	-	1,175
Royalty														
Suzuki Motor Corporation				18,031			18,031				18,925			18,925
TOTAL	-	-	-	18,031	-	-	18,031	-	-	-	18,925	-	-	18,925
Services Received														
Suzuki Motor Corporation				1,090			1,090				703			703
Others														
TOTAL	-	-	-	1,090	-	-	1,090	-	-	-	703	-	-	703
Other-expenditure														
Suzuki International Europe GmbH					49		49					46		46
Suzuki GB PLC					65		65					46		46
Suzuki Italia S.P.A.					23		23					21		21
Others			1		62		63	3	4		122	79		208
TOTAL	-	-	1	-	199	-	200	3	4	-	122	192	-	321
Managerial Remuneration														
Mr. Shinzo Nakanishi							27							25
Mr. Tsuneo Ohashi							20							18
Mr. Keichi Asai							19							18
Mr. Syuji Oishi							19							18
TOTAL	-	-	-	-	-	-	85	-	-	-	-	-	-	79

* Suzuki Powertrain India Limited is also a Fellow Subsidiary

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

53. THE DETAILS OF INVESTMENT AS PER NOTE 15 AND 18 ARE PROVIDED BELOW :

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
Investment in subsidiaries (unquoted equity shares, fully paid)									
Maruti Insurance Business Agency Limited		10	10	150,000	150,000	-	1.5	-	1.5
Maruti Insurance Distribution Services Limited		10	10	150,000	150,000	-	1.5	-	1.5
True Value Solutions Limited		10	10	50,000	50,000	-	0.5	-	0.5
Maruti Insurance Agencies Solutions Limited		10	10	150,000	150,000	-	1.5	-	1.5
Maruti Insurance Agencies Network Limited		10	10	150,000	150,000	-	1.5	-	1.5
Maruti Insurance Agency Services Limited		10	10	150,000	150,000	-	1.5	-	1.5
Maruti Insurance Agency Logistic Limited		10	10	150,000	150,000	-	1.5	-	1.5
Maruti Insurance Broker Limited		10	10	500,000	500,000	-	5.0	-	5.0
						-	14.5	-	14.5
Investment in joint ventures (unquoted equity shares, fully paid)									
J.J. Impex (Delhi) Private Limited		10	10	4,323,750	4,323,750	-	72	-	72
Mark Exhaust Systems Limited		10	10	4,437,465	4,437,465	-	57	-	57
Bellsonica Auto Components India Private Limited		100	100	3,540,000	3,540,000	-	354	-	354
FMI Automotive Components Limited		10	10	44,100,000	44,100,000	-	441	-	441
Krishna Ishizaki Auto Limited		10	10	734,880	734,880	-	10	-	10
Inergy Automotive Systems Manufacturing India Private Ltd		10	10	6,656,000	6,656,000	-	67	-	67
Manesar Steel Processing (India) Private Ltd		10	10	6,840,000	6,840,000	-	68	-	68
Maruti Insurance Broking Private Ltd		10	10	239,600	239,600	-	2	-	2
							1,071		1,071
Investment in associates (quoted equity shares, fully paid)									
Asahi India Glass Limited		1	1	17,760,000	17,760,000	-	2	-	2
Bharat Seats Limited		2	2	4,650,000	4,650,000	-	5	-	5
Denso India Limited		10	10	2,862,758	2,862,758	-	73	-	73
Jay Bharat Maruti Limited		5	5	6,340,000	6,340,000	-	16	-	16
Machino Plastics Limited		10	10	941,700	941,700	-	5	-	5
Sona Koyo Steering Systems Limited		1	1	13,800,000	13,800,000	-	10	-	10
							111		111
Investment in associates (unquoted equity shares, fully paid)									
Caparo Maruti Limited		10	10	2,500,000	2,500,000	-	25	-	25
Citicorp Maruti Finance Limited		-	10	-	26,000,000	-	-	-	260

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[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
Climate Systems India Limited		100	100	518,700	518,700	-	52	-	52
Krishna Maruti Limited		10	10	670,000	670,000	-	7	-	7
SKH Metals Limited		10	10	2,645,000	2,645,000	-	49	-	49
Maruti Countrywide Auto Financial Services Limited		-	10	-	10,400,000	-	-	-	104
Nippon Thermostat (India) Limited		10	10	125,000	125,000	-	1	-	1
Suzuki Powertrain India Limited		10	10	395,100,000	232,800,000	-	3,951	-	2,328
Magneti Marelli Powertrain India Limited		10	10	8,550,000	8,550,000	-	86	-	86
						-	4,171	-	2,912
Less :Provision for diminution in value							-		147
							4,171		2,765
Unquoted Redeemable Preference Shares (Fully Paid) :									
Western Paques (India) Limited	14.50%	100	100	500,000	500,000	-	50	-	50
						-	50	-	50
Less :Provision for diminution in value						-	50	-	50
							-		-
Investment in Corporate Bonds									
Long Term (Quoted)									
LIC Housing Finance	8.40%	-	1,000	-	1,000,000	-	-	-	1,000
HDFC Ltd	8.40%	-	1,000	-	1,000,000	-	-	-	1,000
LIC Housing Finance 2	8.40%	-	1,000	-	1,000,000	-	-	-	1,000
IDFC LTD	8.40%	-	1,500	-	1,000,000	-	-	-	1,500
IDFC LTD 2	8.48%	-	1,000	-	1,000,000	-	-	-	1,000
LIC Housing Finance 3	8.75%	-	750	-	1,000,000	-	-	-	750
HDFC LTD 2	9.50%	-	750	-	1,000,000	-	-	-	750
							-	-	7,000
Units of Debt Mutual Funds :									
Axis Fixed Term Plan Series 1 Growth Option		-	10.0	-	8,000,000	-	-	80	-
Axis Fixed Term Plan Series 13 (370 Days) Growth Option		-	10.0	-	20,000,000	-	-	200	-
Baroda Pioneer 380 Days FMP Series 1 Growth Option		-	10.0	-	10,000,000	-	-	100	-
Baroda Poiner 367 Days FMP Series 3 Growth Option		10	-	15,002,994	-	150	-	-	-
Birla Fixed Term Plan Series CC- Growth Option		-	10.0	-	10,000,000	-	-	100	-
Birla Fixed Term Plan Series CE- Growth Option		-	10.0	-	70,000,000	-	-	700	-
Birla Fixed Term Plan Series CF- Growth Option		-	10.0	-	70,000,000	-	-	700	-
Birla Fixed Term Plan Series CG- Growth Option		-	10.0	-	60,000,000	-	-	600	-

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[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
Birla Fixed Term Plan Series CK- Growth Option	-	-	10.0	-	50,000,000	-	-	500	-
Birla Fixed Term Plan Series CL- Growth Option	-	-	10.0	-	50,000,000	-	-	500	-
Birla Fixed Term Plan Series CO- Growth Option	-	-	10.0	-	100,000,000	-	-	1,000	-
Birla Fixed Term Plan Series CP- Growth Option	-	-	10.0	-	60,000,000	-	-	600	-
Birla Fixed Term Plan Series CU Growth Option	-	-	10	-	65,000,000	-	-	650	-
Birla Sunlife Dynamic Bond Fund- Growth Option	-	-	10	-	60,109,436	-	-	931	-
Birla Sunlife Fixed Term Fund Series DX Growth Option	-	10	-	48,000,000	-	480	-	-	-
Birla Sunlife Fixed Term Fund Series DY Growth Option	-	10	-	40,000,000	-	400	-	-	-
Birla Sunlife Fixed Term Fund Series EA Growth Option	-	10	-	14,000,000	-	140	-	-	-
Birla Sunlife Fixed Term Fund Series EB Growth Option	-	10	-	54,641,500	-	546	-	-	-
Birla Sunlife Fixed Term Fund Series EE Growth Option	-	10	-	52,000,000	-	520	-	-	-
Birla Sunlife Fixed Term Fund Series EF Growth Option	-	10	-	45,000,000	-	450	-	-	-
Birla Sunlife Fixed Term Fund Series EG Growth Option	-	10	-	35,000,000	-	350	-	-	-
Birla Sunlife Fixed Term Fund Series EI Growth Option	-	10	-	100,000,000	-	1,000	-	-	-
Birla Sunlife Fixed Term Fund Series EK Growth Option	-	10	-	40,000,000	-	400	-	-	-
Birla Sunlife Fixed Term Fund Series EM Growth Option	-	10	-	65,000,000	-	650	-	-	-
Birla Sunlife Fixed Term Plan Series DT Growth Option	-	10	-	25,023,178	-	250	-	-	-
Birla Sunlife Fixed Term Plan Series EQ Growth Option	-	10	-	20,000,000	-	200	-	-	-
Birla Sunlife Fixed Term Plan Series FA Growth Option	-	10	-	70,014,724	-	700	-	-	-
Birla Sunlife Medium Term Plan- Weekly Dividend-	-	-	10	-	94,667,817	-	-	952	-
BNP Paribas Overnight Institutional Plan Daily Dividend	-	10	-	95,069,956	-	951	-	-	-
Canara Robeco Fixed Maturity Plan Series 7 Plan A Growth Option	-	10	-	25,000,000	-	250	-	-	-
Canara Robeco Fixed Maturity Plan Series 6 13 Months Plan B Growth Option	-	10	10	15,000,000	15,000,000	150	-	-	150
DSP 12M Series 6 Dividend Option	-	-	10	-	15,000,000	-	-	150	-

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[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
DSP Black Rock FMP 12M Series 12 Growth Option	-	-	10	-	25,000,000	-	-	250	-
DSP Black Rock FMP 12M Series 13 Growth Option	-	-	10	-	70,018,200	-	-	700	-
DSP Black Rock FMP 12M Series 14 Growth Option	-	-	10	-	10,000,000	-	-	100	-
DSP Black Rock FMP 12M Series 9 Growth Option	-	-	10	-	20,000,000	-	-	200	-
DSP Black Rock FMP 13M Series 3 Growth Option	-	-	10	-	11,000,000	-	-	110	-
DSP Black Rock FMP Series 23 12 M Growth Option	10	10	-	60,000,000	-	600	-	-	-
DSP Black Rock FMP Series 24 12 M Growth Option	10	10	-	15,000,000	-	150	-	-	-
DSP Black Rock FMP Series 32 12 Month Growth Option	10	10	-	100,000,000	-	1,000	-	-	-
DSP Black Rock FMP Series 34 12 Month Growth Option	10	10	-	70,000,000	-	700	-	-	-
DSP Black Rock FMP Series 36 12 Month Growth Option	10	10	-	30,000,000	-	300	-	-	-
DSP Black Rock FMP Series 37 13 Month Growth Option	10	10	-	100,000,000	-	-	1,000	-	-
DWS Fixed Maturity Plan Series 1 Growth Option	10	10	-	20,000,000	-	200	-	-	-
DWS Fixed Maturity Plan Series 3 Growth Option	10	10	-	35,000,000	-	350	-	-	-
DWS Fixed Maturity Plan Series 5 Growth Option	10	10	-	32,000,000	-	320	-	-	-
DWS Fixed Maturity Plan Series 6 Growth Option	10	10	-	35,000,000	-	-	350	-	-
DWS Fixed Term Fund Series 67 Growth Option	-	-	10	-	55,000,000	-	-	550	-
DWS Fixed Term Fund Series 94 Growth Option	10	10	-	13,000,000	-	130	-	-	-
DWS Fixed Term Fund Series 95 Growth Option	10	10	-	15,000,000	-	150	-	-	-
DWS Money Plus Fund Institutional Plan Weekly Dividend	-	-	10	-	35,849,075	-	-	360	-
DWS Treasury Fund Cash Institutional Plan	100	100	-	9,959,075	-	1,001	-	-	-
HDFC 370 Days June 2010 Series XV Dividend	-	-	10	-	14,000,000	-	-	140	-
HDFC FMP 13 M Growth Option	-	-	10	-	18,000,000	-	-	180	-
HDFC FMP 370 Day Dec (1) Growth Option	10	10	-	25,000,000	-	250	-	-	-
HDFC FMP 370 Day Dec (2) Growth Option	10	10	-	30,011,283	-	300	-	-	-
HDFC FMP 370 Day Feb 2012 (1) Growth Option	10	10	-	25,000,000	-	250	-	-	-

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[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
HDFC FMP 370 Day Feb 2012 (2) Growth Option		10	-	70,000,000	-	700	-	-	-
HDFC FMP 370 Day Feb 2012 (3) Growth Option		10	-	20,000,000	-	200	-	-	-
HDFC FMP 370 Day Jan 2012 (4) Growth Growth Option		10	-	75,000,000	-	750	-	-	-
HDFC FMP 370 Days 2011 (2) Growth Option		10	-	34,000,000	-	340	-	-	-
HDFC FMP 370 Days Jan 2012 (1) Growth Option		10	-	8,000,000	-	80	-	-	-
HDFC FMP 370 Days Jan 2012 (2) Growth Option		10	-	25,000,000	-	250	-	-	-
HDFC FMP 370 Days Jan 2012 (3) Growth Option		10	-	35,000,000	-	350	-	-	-
HDFC FMP 390 Day March 2012 (1) Series XXI Growth Option		10	-	100,000,000	-	-	1,000	-	-
HDFC FMP 400 Day Feb 2012 (1) Series XXI Growth Option		10	-	100,000,000	-	-	1,000	-	-
HDFC High Interest Fund Short Term Fund Growth Option		-	10	-	54,344,873	-	-	1,000	-
HDFC Long Term Floater 13 Month Growth Option		-	10	-	60,100,716	-	-	950	-
HDFC Short term Plan - Growth Option		-	10	-	13,904,570	-	-	250	-
HSBC Fixed Term Series 82 Growth 370 Days Growth Option		10	-	25,000,000	-	250	-	-	-
ICICI FMP Series 52 1 Year Plan A Growth Option		-	10	-	10,000,000	-	-	100	-
ICICI FMP Series 55 Plan A Growth Option		-	10	-	125,000,000	-	-	1,250	-
ICICI FMP Series 55 Plan B Growth Option		-	10	-	93,953,813	-	-	939	-
ICICI FMP Series 55 Plan C Growth Option		-	10	-	55,000,000	-	-	550	-
ICICI Prudential Blended Plan B Dividend Re investment		-	10	-	88,837,351	-	-	921	-
ICICI Prudential Interval Fund II Quarterly Interval Plan		-	10	-	21,023,583	-	-	210	-
ICICI Prudential Interval Fund II Quarterly Interval Plan B		-	10	-	15,562,332	-	-	156	-
ICICI Prudential Annual Interval Fund Dividend Option		-	10	-	74,956,525	-	-	750	-
ICICI Prudential FMP Series 53 1 Year Plan E Growth Option		-	10	-	45,000,000	-	-	450	-
ICICI Prudential FMP Series 53 1 Year Plan F Growth Option		-	10	-	40,000,000	-	-	400	-
ICICI Prudential FMP Series 59 1 Year Plan E Growth Option		10	-	35,000,000	-	350	-	-	-

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[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
ICICI Prudential FMP Series 60 1 Year Plan F Growth Option		10	-	40,000,000	-	400	-	-	-
ICICI Prudential FMP Series 60 1 Year Plan J Growth Option		10	-	30,000,000	-	300	-	-	-
ICICI Prudential FMP Series 61 1 Year Plan A Growth Option		10	-	95,000,000	-	950	-	-	-
ICICI Prudential FMP Series 61 1 Year Plan C Growth Option		10	-	60,000,000	-	600	-	-	-
ICICI Prudential FMP Series 61 1 Year Plan E Growth Option		10	-	34,148,380	-	341	-	-	-
ICICI Prudential FMP Series 62 1 Year Plan A Growth Option		10	-	50,000,000	-	500	-	-	-
ICICI Prudential FMP Series 62 1 Year Plan B Growth Option		10	-	45,000,000	-	450	-	-	-
ICICI Prudential FMP Series 62 1 Year Plan C Growth Option		10	-	20,000,000	-	200	-	-	-
ICICI Prudential FMP Series 62 396 Days Plan F Growth Option		10	-	100,000,000	-	-	1,000	-	-
ICICI Prudential FMP Series 63 1 Year Plan C Growth Option		10	-	75,015,667	-	750	-	-	-
ICICI Prudential FMP Series 63 1 Year Plan E Growth Option		10	-	40,000,000	-	-	400	-	-
ICICI Prudential FMP Series 63 370 Days Plan D Growth Option		10	-	80,000,000	-	-	800	-	-
ICICI Prudential FMP Series 63 378 Days Plan I Growth Option		10	-	61,012,577	-	-	610	-	-
ICICI Prudential Interval Fund Annual Interval Plan III Growth Option		10	10	15,772,961	24,995,501	158	-	250	-
IDBI FMP 369 Days Series II (Feb 2012) C Growth Option		10	-	25,000,000	-	250	-	-	-
IDFC 13 M Series V Growth Option		-	10	-	10,000,000	-	-	100	-
IDFC Fixed Maturity Plan Series 35 Growth Option		-	10	-	40,000,000	-	-	400	-
IDFC Fixed Maturity Plan Series 57 Growth Option		10	-	12,000,000	-	120	-	-	-
IDFC Fixed Maturity Plan Series 58 Growth Option		10	-	15,000,000	-	150	-	-	-
IDFC Fixed Maturity Plan Series 59 Growth Option		10	-	22,000,000	-	220	-	-	-
IDFC Fixed Maturity Plan Yearly Series 37 Growth Option		-	10	-	65,010,903	-	-	650	-
IDFC Fixed Maturity Plan Yearly Series 38 Growth Option		-	10	-	20,000,000	-	-	200	-
IDFC Fixed Maturity Plan Yearly Series 48 Growth Option		10	-	28,000,000	-	280	-	-	-
IDFC Fixed Maturity Plan Yearly Series 49 Growth Option		10	-	55,000,000	-	550	-	-	-
IDFC Fixed Maturity Plan Yearly Series 51 Growth Option		10	-	25,000,000	-	250	-	-	-

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
IDFC Fixed Maturity Yearly Series 32 Dividend Option	-	-	10	-	25,000,000	-	-	250	-
IDFC FMP Series 61 Growth Option	10	10	-	42,000,000	-	420	-	-	-
IDFC FMP Yearly Series 34 Growth Option	-	-	10	-	10,000,000	-	-	100	-
IDFC FMP Yearly Series 41 Growth Option	-	-	10	-	20,000,000	-	-	200	-
IDFC FMP Yearly Series 42 Growth Option	-	-	10	-	10,000,000	-	-	100	-
IDFC Saving Advantage Fund Plan A -Weekly Dividend	-	-	1,000	-	553,371	-	-	553	-
IDFC Ultra Short Term Fund Monthly Dividend- 3 Month Lock in	-	-	10	-	55,129,041	-	-	552	-
JM Fixed Maturity Fund Series XIX Plan C Growth Option	-	-	10	-	10,000,000	-	-	100	-
JP Morgan Fixed Maturity Plan 400D Series 1 Growth Option	-	-	10	-	89,014,250	-	-	890	-
JP Morgan Fixed Maturity Plan Series 8 Growth Option	10	10	-	40,008,224	-	400	-	-	-
JP Morgan India Series 6 13 Months Growth Option	10	10	-	120,000,000	-	-	1,200	-	-
Kotak 13M Series VI Growth Option	-	-	10	-	20,000,000	-	-	200	-
Kotak 370 Days Series II Growth Option	-	-	10	-	28,000,000	-	-	280	-
Kotak 370 Days Series III Growth Option	-	-	10	-	22,569,873	-	-	225	-
Kotak Fixed Maturity Plan Series 32 Growth Option	-	-	10	-	20,000,000	-	-	200	-
Kotak Floater Short Term Daily Dividend Fund	10	10	-	218,484,833	-	2,210	-	-	-
Kotak FMP 370 Days Series 10 Growth Option	-	-	10	-	20,000,000	-	-	200	-
Kotak FMP 6M Series 10 Dividend	-	-	10	-	25,000,000	-	-	250	-
Kotak FMP Series 28 Growth Option	-	-	10	-	30,000,000	-	-	300	-
Kotak FMP Series 29 Growth Option	-	-	10	-	50,000,000	-	-	500	-
Kotak FMP Series 30 Growth Option	-	-	10	-	35,000,000	-	-	350	-
Kotak FMP Series 34 Growth Option	-	-	10	-	54,968,832	-	-	550	-
Kotak FMP Series 37 Growth Option	-	-	10	-	25,000,000	-	-	250	-
Kotak FMP Series 40 Growth Option	-	-	10	-	60,468,612	-	-	605	-
Kotak FMP Series 68 Growth Option	10	10	-	15,000,000	-	150	-	-	-
Kotak FMP Series 69 Growth Option	10	10	-	30,000,000	-	300	-	-	-
Kotak FMP Series 70 Growth Option	10	10	-	21,000,000	-	210	-	-	-
Kotak FMP Series 72 Growth Option	10	10	-	41,000,000	-	410	-	-	-
Kotak FMP Series 74 Growth Option	10	10	-	42,000,000	-	420	-	-	-
Kotak FMP Series 75 Growth Option	10	10	-	70,000,000	-	700	-	-	-
Kotak FMP Series 78 A Growth Option	10	10	-	28,000,000	-	280	-	-	-

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
Kotak Quarterly Interval Plan Series 6 Dividend	-	-	10	-	20,005,978	-	-	200	-
L & T FMP III (Feb 90 D) Dividend Payout	-	-	10	-	15,000,000	-	-	150	-
L & T FMP III (March 66 DA) Growth Option	-	-	10	-	10,001,737	-	-	100	-
L & T FMP V (Feb 368 Days A) Growth Option	10	10	-	15,000,000	-	150	-	-	-
L&T Freedom Income STP InstDaily Dividend	-	-	10	-	69,040,766	-	-	701	-
Reliance QIP Series II Dividend Dividend	-	-	10	-	45,855,796	-	-	459	-
Reliance Fixed Horizon Fund XXI Series 16 Growth Option	10	10	-	40,000,000	-	400	-	-	-
Reliance Fixed Horizon Fund XXI Series 2 Growth Option	10	10	-	65,000,000	-	650	-	-	-
Reliance Fixed Horizon Fund XIX Series 11 Growth Option	-	-	10	-	18,298,494	-	-	182	-
Reliance Fixed Horizon Fund XIX Series 9 Growth Option	-	-	10	-	40,000,000	-	-	400	-
Reliance Fixed Horizon Fund XV Series 7 Dividend Option	-	-	10	-	15,000,000	-	-	150	-
Reliance Fixed Horizon Fund XV Series 9 Growth Option	-	-	10	-	20,000,000	-	-	200	-
Reliance Fixed Horizon Fund XV Series IV Dividend Option	-	-	10	-	20,000,000	-	-	200	-
Reliance Fixed Horizon Fund XV Series VI Dividend Option	-	-	10	-	27,377,167	-	-	274	-
Reliance Fixed Horizon Fund XVI Series 2 Growth Option	-	-	10	-	50,000,000	-	-	500	-
Reliance Fixed Horizon Fund XVI Series 5 Growth Option	-	-	10	-	45,000,000	-	-	450	-
Reliance Fixed Horizon Fund XVII Series 1 Growth Option	-	-	10	-	80,000,000	-	-	800	-
Reliance Fixed Horizon Fund XVII Sr 2 Growth Option	-	-	10	-	50,000,000	-	-	500	-
Reliance Fixed Horizon Fund XVII Sr 4 Growth Option	-	-	10	-	50,000,000	-	-	500	-
Reliance Fixed Horizon Fund XVII Sr 6 Growth Option	-	-	10	-	50,000,000	-	-	500	-
Reliance Fixed Horizon Fund XXI Series 12 Growth Option	10	10	-	85,000,000	-	850	-	-	-
Reliance Fixed Horizon Fund XXI Series 14 Growth Option	10	10	-	35,000,000	-	350	-	-	-
Reliance Fixed Horizon Fund XXI Series 8 Growth Option	10	10	-	40,000,000	-	400	-	-	-
Reliance Fixed Horizon Fund XXI Series 9 Growth Option	10	10	-	65,000,000	-	650	-	-	-

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
Reliance Fixed Horizon Fund XXI Series IV Growth Option		10	-	54,704,500	-	547	-	-	-
Reliance Fixed Horizon Fund XXI Series V Growth Option		10	-	210,000,000	-	2,100	-	-	-
Reliance Fixed Horizon Fund XXI Series VI Growth Option		10	-	125,000,000	-	1,250	-	-	-
Reliance Quarterly Interval Fund Series III Dividend Option		-	10	-	33,459,498	-	-	335	-
Religare Credit Opportunity Fund Dividend Option		10	-	75,000,000	-	750	-	-	-
Religare Fixed Maturity Plan Series III Dividend Option		-	10	-	15,000,000	-	-	150	-
Religare Fixed Maturity Plan Series III Plan A Dividend Option		-	10	-	20,000,000	-	-	200	-
Religare Fixed Maturity Plan Series XII Plan C Growth Option		10	-	18,000,000	-	180	-	-	-
Religare Fixed Maturity Plan Series XIII Plan A Growth Option		10	-	15,000,000	-	150	-	-	-
Religare Fixed Maturity Plan Series XIII Plan C 13 Months Growth Option		10	-	20,000,000	-	-	200	-	-
Religare Fixed Maturity Plan Series XIII Plan D 386 Days Growth Option		10	-	20,000,000	-	-	200	-	-
Religare Fixed Maturity Plan Series XIV Plan B 378 Days Growth Option		10	-	27,000,000	-	-	270	-	-
Religare Fixed Maturity Plan V Plan A Growth Option		-	10	-	25,000,000	-	-	250	-
Religare FMP Series II Plan A Growth Option		-	10	-	55,000,000	-	-	550	-
Religare FMP Series II Plan F Growth Option		-	10	-	45,000,000	-	-	450	-
Religare FMP Series IV Plan E Growth Option		-	10	-	20,000,000	-	-	200	-
Religare FMP Series VI Plan D 370 Days Growth Option		-	10	-	20,003,694	-	-	200	-
Religare FMP Series VI Plan E 370 Days Growth Option		-	10	-	10,000,000	-	-	100	-
Religare FMP Series X Plan E Growth Option		10	-	14,000,000	-	140	-	-	-
Religare FMP Series X Plan F Growth Option		10	-	15,000,000	-	150	-	-	-
Religare FMP Series XI Plan A 369 Days Growth Option		10	-	15,000,000	-	150	-	-	-
Religare FMP Series XI Plan E 371 Days Growth Option		10	-	12,000,000	-	120	-	-	-
Religare FMP Series XII Plan A 370 Days Growth Option		10	-	14,000,000	-	140	-	-	-
Religare liquid fund Daily Dividend		1,000	-	640,198	-	641	-	-	-
SBI Debt Fund Series 15 Months -7- Growth Option		10	-	17,000,000	-	-	170	-	-

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
SBI Debt Fund Series 18 Months 8 Growth Option		10	-	16,500,000	-	-	165	-	-
SBI Debt Fund Series 367 11Growth Option		10	-	69,434,459	-	694	-	-	-
SBI Debt Fund Series 367 Days 1 Growth Option		10	-	93,019,180	-	930	-	-	-
SBI Debt Fund Series 367 Days 16 Growth Option		10	-	65,000,000	-	650	-	-	-
SBI Debt Fund Series 367 Days 18 Growth Option		10	-	84,000,000	-	840	-	-	-
SBI Debt Fund Series 370 Days 10 Growth Option		-	10	-	50,000,000	-	-	500	-
SBI Debt Fund Series 370 Days 11 Growth Option		10	10	75,000,000	75,000,000	750	-	750	-
SBI Debt Fund Series 370 Days 5 Dividend Option		-	10	-	25,000,000	-	-	250	-
SBI Debt Fund Series 370 Days 9 Growth Option		-	10	-	50,000,000	-	-	500	-
SBI SDFS 15 M -5 Growth Option		-	10	-	40,000,000	-	-	400	-
SBI SDFS 367 D 12 Growth Option		10	-	35,000,000	-	350	-	-	-
SBI SDFS 370 Days Series III Growth Option		-	10	-	50,000,000	-	-	500	-
SBNPP Interval Fund QIP Dividend		-	10	-	20,810,462	-	-	208	-
SDFS 367 Days -13 Growth Option		10	-	35,047,962	-	350	-	-	-
Sundaram Fixed Term Plan AW Growth Option		-	10	-	15,000,000	-	-	150	-
Sundaram Fixed Term Plan CC 366 Days Growth Option		10	-	15,000,000	-	150	-	-	-
Sundaram Fixed Term Plan CQ 370 Days Growth Option		10	-	20,000,000	-	-	200	-	-
TATA Fixed Maturity Plan Series 26 Growth Option Option		-	10	-	10,000,000	-	-	100	-
Tata Fixed Maturity Plan Series 29 A Growth Option		-	10	-	20,000,000	-	-	200	-
Tata Fixed Maturity Plan Series 30 Scheme A Growth Option		-	10	-	40,000,000	-	-	400	-
Tata Fixed Maturity Plan Series 38 I Growth Option		10	-	17,000,000	-	170	-	-	-
Tata Fixed Maturity Plan Series 38 Scheme D Growth Option		10	-	14,000,000	-	140	-	-	-
Tata Fixed Maturity Plan Series 39 A Growth Option		10	-	15,000,000	-	150	-	-	-
Tata FMP Series 29 Scheme B Growth Option		-	10	-	20,002,987	-	-	200	-
Tata FMP Series 31 Scheme C Growth Option		-	10	-	10,000,000	-	-	100	-

Notes

TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Name of the Company	Interest / Dividend % age	Face Value (₹) 31.03.2012	Face Value(₹) 31.03.2011	Number as at 31.03.2012	Number as at 31.03.2011	As at 31.03.2012		As At 31.03.2011	
						Current	Non Current	Current	Non Current
Tata FMP Series 37 Plan D Growth Option		10	-	15,000,000	-	150	-	-	-
Taurus Fixed Maturity Plan 369 Days Series P Growth Option		10	-	15,000,000	-	150	-	-	-
Taurus Liquid Fund Daily Dividend		1,000	-	300,110	-	300	-	-	-
UTI Fixed Income Fund Series X- VI 368 Days Growth Option		10	-	47,009,025	-	470	-	-	-
UTI Fixed Income Interval Fund Quarterly Plan Series I		-	10	-	26,336,078	-	-	263	-
UTI Fixed Income Interval Plan Growth Option		10	-	22,923,792	-	250	-	-	-
UTI Fixed Term Income Fund Series IX -1 (367 Days Growth)		-	10	-	20,007,311	-	-	200	-
UTI Fixed Term Income Fund Series X VII Growth Option		10	-	100,000,000	-	1,000	-	-	-
UTI Fixed Term Income Fund Series X VIII Growth Option		10	-	105,000,000	-	1,050	-	-	-
UTI Fixed Term Income Fund Series X X Growth Option		10	-	20,000,000	-	200	-	-	-
UTI Fixed Term Income Fund Series XI III (368 Days) Growth Option		10	-	50,000,000	-	500	-	-	-
						47,541	8,565	39,956	150

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

54. PURSUANT TO CLAUSE ix(b) OF SECTION 227 (4A) OF THE COMPANIES ACT, 1956, THE DETAILS OF DISPUTED DUES ARE AS FOLLOWS:

Name of the Statute	Nature of the Dues	Amount (₹ in million)	Amount deposited under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	5	8	1992-93 A.Y.	The Honorable High Court of Delhi
	Interest	3			
	Income Tax	76	77	1995-96 A.Y.	The Honorable High Court of Delhi
	Interest	1			
	Income Tax	204	341	1996-97 A.Y.	The Honorable High Court of Delhi
	Interest	137			
	Income Tax	229	275	1998-99 A.Y.	The Honorable High Court of Delhi
	Interest	46			
	Income Tax	381	80	2003-04 A.Y.	Income Tax Appellant Tribunal (ITAT) & High Court
	Interest	74			
	Income Tax	321	449	2004-05 A.Y.	Income Tax Appellant Tribunal (ITAT) & High Court
	Interest	128			
	Income Tax	1,738	1,236	2005-06 A.Y.	Income Tax Appellant Tribunal (ITAT) & High Court
	Interest	987			
	Income Tax	1,692	2,000	2006-07 A.Y.	Income Tax Appellant Tribunal (ITAT)
	Interest	974			
	Income Tax	2,163	1,669	2007-08 A.Y.	Income Tax Appellant Tribunal (ITAT)
	Interest	1,432			
	Income Tax	0.03		2007-08 A.Y.	AO (Tax Deducted at Source)
	Interest	0.04			
Income Tax	97		2008-09 A.Y.	AO (Tax Deducted at Source)	
Interest	44				
Income Tax	12		2009-10 A.Y.	AO (Tax Deducted at Source)	
Interest	4				
Income Tax	12		2010-11 A.Y.	AO (Tax Deducted at Source)	
Interest	3				
Income Tax	73		2011-12 A.Y.	AO (Tax Deducted at Source)	
Interest	11				
	TOTAL	10,847	6,135		
Wealth Tax Act, 1957	Wealth Tax	1	1	1998-99 A.Y.	Appeal is pending before High Court
	TOTAL	1	1		
Haryana General Sales Tax Act	Interest	1	-	1984-85 to 1985-86 A.Y.	Assessing Authority, Gurgaon
	Sales Tax	2	-	1988-89 A.Y.	Assessing Authority, Gurgaon
	TOTAL	3	-		
Delhi Sales Tax Act	Sales Tax	47	2	A.Y. 1988-89 to 1991-92	Additional Commissioner, Delhi
	TOTAL	47	2		

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

Name of the Statute	Nature of the Dues	Amount (₹ in million)	Amount deposited under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	84	-	Jul 01 to Feb.10	Customs, Excise & Service Tax Appellate Tribunal
	Interest	77	-		
	Penalty	64	-		
	Excise duty	17	3	Aug96 to Mar01	The Honorable Supreme Court of India.
	Excise duty	7	-	March 03 to March 05	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	7	-		
	Excise duty	5		Dec 99-Aug .04	Customs, Excise & Service Tax Appellate Tribunal.
	Penalty	5			
	Interest	8			
	Excise duty	50		Oct.06 to Mar 08	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	22			
	Interest	33			
	Excise duty	223	-	May.05 to Feb.07	The Honorable Supreme Court of India.
	Interest	183			
	Excise duty	597	-	Mar.07 to Sep.10	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	496	-		
	Interest	264	-		
	Excise duty	4	1	Feb.03	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	1			
Excise duty	1	1	May.89 to Mar.92	The Honorable High Court of Delhi	
Penalty	1	1			
TOTAL		2,149	6		
The Finance Act, 1994	Service Tax	5	2	Jul.03 to Aug.04	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	5			
	Interest	5			
	Service Tax	2	1	Apr.05 to Mar.08	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	2			
	Interest	2			
	Service Tax	2		Apr.10 to Mar.11	Commissioner (Appeals)
	Penalty	1			
	Service Tax	57		18th Apr.06 to Mar.10	Customs, Excise & Service Tax Appellate Tribunal
	Penalty	57			
	Interest	33			
TOTAL		171	3		
Customs Act, 1962	Customs duty	22	22	Feb-03 to August03	Customs, Excise & Service Tax Appellate Tribunal.
	Interest	5	-		
	TOTAL	27	22		
GRAND TOTAL		13,245	6,169		

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

55. STATEMENT ON ASSETS, LIABILITIES, INCOME & EXPENSES OF JOINT VENTURES

Details of the Company's share in the Joint Venture Assets, Liabilities, Income & Expenses as required by Accounting Standard 27 "Financial Reporting of Interest in Joint Venture" is as indicated below.

Sl.No	Name of Company	% Ownership Interest	Country of Incorporation
1	J.J Impex (Delhi) Private Limited	49.13	India
2	Mark Exhaust Systems Limited	44.37	India
3	Bellsonica Auto Components India Limited	30.00	India
4	FMI Automotive India Limited	49.00	India
5	Krishna Ishizaki Auto Limited (formerly known as Krishna Auto Mirrors Limited)	15.00	India
6	Manesar Steel Processing (India) Pvt Ltd	15.00	India
7	Maruti Insurance Broking Pvt Ltd	47.92	India
8	Inergy Automotive Systems Manufacturing India Private Ltd	26.00	India

	2011-12	2010-11
Detail of Assets		
Non-current Assets		
Tangible Assets	2,192	1,383
Intangible Assets	16	1.00
Capital Work in Progress	8	167
Net Block	2,216	1,551
Non-Current Investments	17	1
Long Term Loans and Advances	40	550
Other Non-Current Assets	61	73
Current Assets		
Inventories	423	245
Trade Receivables	676	553
Cash and Bank Balances	249	203
Short Term Loans and Advances	196	195
Other Current Assets	47	26
Detail of liabilities		
Non-current Liabilities		
Long Term Borrowings	1,698	1,357
Deferred Tax Liabilities (Net)	46	87

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TO THE FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

	2011-12	2010-11
Other Long Term Liabilities	44	74
Long Term Provisions	-	3
Current Liabilities		
Short Term Borrowings	141	91
Trade Payables	1,133	825
Other Current Liabilities	47	2
Detail Of Income		
Net Sale of Products	4,913	4,840
Other Operating Revenue	113	125
Other Income	7	8
Detail of Expenditure		
Cost of Material Consumed	3,802	4,048
Purchase of Stock-in-Trade	253	93
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(21)	(39)
Employees Benefit Expenses	341	283
Finance Costs	65	44
Depreciation and Amortisation Expense	241	177
Other Expenses	515	440
Tax Expenses Current	19	27
Tax Expenses Deferred	(40)	(5)
Details of Contingent Liabilities		
Excise Demands	34	-
Income Tax demands	6	2
Claims against the Company lodged by various parties	7	3
Capital commitments	42	49
Outstanding commitments under letter of credit	-	49
Sale Tax and Service Tax demands	5	1

Notes

TO THE FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

- 56.** The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Company	Maruti Insurance Distribution Services Limited	Maruti Insurance Business Agency Limited	True Value Solutions Limited	Maruti Insurance Solutions Limited	Maruti Insurance Agencies Network Limited	Maruti Insurance Agencies Services Limited	Maruti Insurance Logistics Limited	Maruti Insurance Broker Limited
	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012
The financial year of the subsidiary company ended on	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012
Number of shares in the subsidiary company held by Maruti Suzuki India Limited at the above date	150,000	150,000	50,000	150,000	150,000	150,000	150,000	500,000
Extent of Holding	100%	100%	100%	100%	100%	100%	100%	100%
The net aggregate of profit/(loss) of the subsidiary company so far as these concern the members of Maruti Suzuki India Limited:								
i) dealt with in the accounts of Maruti Suzuki India Limited amounted to :								
a) For subsidiary's financial year ended on 31 st March, 2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) For previous financial years of the subsidiary since it become subsidiary of Maruti Suzuki India Limited	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) not dealt with in the accounts of Maruti Suzuki India Limited amounted to :								
a) For subsidiary's financial year ended on 31 st March, 2012 (₹)	11,098,478	64,960,153	(73,001)	14,757,998	20,410,267	3,602,279	10,035,218	(576,531)
b) For previous financial years of the subsidiary since it become subsidiary of Maruti Suzuki India Limited (₹)	158,753,332	950,724,025	1,659,966	185,731,157	250,738,814	43,553,615	109,134,339	(926,042)

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

TSUNEO OHASHI
Director

AJAY SETHI
Chief Financial Officer

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Financial Statement of Subsidiary Companies 2011-12

(Amount in ₹)

Particulars	Maruti Insurance Business Agency Limited	Maruti Insurance Distribution Services Ltd.	Maruti Insurance Agency Network Ltd.	Maruti Insurance Agency Solutions Ltd.	Maruti Insurance Agency Services Ltd.	True Value Solutions Ltd.	Maruti Insurance Agency Logistics Ltd.	Maruti Insurance Broker Ltd.
Capital	15,00,000	15,00,000	15,00,000	15,00,000	15,00,000	5,00,000	15,00,000	50,00,000
Reserves & Surpluses	1,01,56,84,178	16,98,51,810	27,11,49,081	20,04,89,155	4,71,55,894	15,86,965	11,91,69,557	(15,02,573)
Total Assets	1,06,99,80,601	17,40,57,839	27,63,90,249	20,70,23,274	4,99,18,004	21,18,115	12,74,44,238	42,05,935
Total Liabilities	1,06,99,80,601	17,40,57,839	27,63,90,249	20,70,23,274	4,99,18,004	21,18,115	12,74,44,238	42,05,935
Investments	94,58,19,499	14,75,24,805	26,65,94,474	19,77,03,330	4,45,82,588	-	11,69,31,140	-
Turnover Income	8,65,18,775	1,48,19,159	2,61,04,476	1,88,44,716	43,27,445	-	1,26,88,889	-
Profit Before Tax	7,81,60,153	1,37,48,478	2,46,08,337	1,77,17,998	40,13,333	(73,001)	1,18,60,218	(5,76,531)
Tax	1,32,00,000	26,50,000	42,00,000	29,60,000	6,50,000	-	18,25,000	-
Prior Period Item			(1,930)		(2,38,946)			-
Profit After Tax	6,49,60,153	1,10,98,478	2,04,10,267	1,47,57,998	36,02,279	(73,001)	1,00,35,218	(5,76,531)

Auditors' Report

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MARUTI SUZUKI INDIA LIMITED

The Board of Directors of Maruti Suzuki India Limited

1. We have audited the attached consolidated balance sheet of Maruti Suzuki India Limited (the "Company") and its subsidiaries, its jointly controlled entities and associate companies; hereinafter referred to as the "Group" (refer Note 1.1 to the attached consolidated financial statements) as at 31st March, 2012, the related consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of (i) 8 subsidiaries and 8 jointly controlled entities included in the consolidated financial statements, which constitute total assets of ₹ 4,669 million and net assets of ₹ 1,569 million as at 31st March, 2012, total revenue of ₹ 5,198 million, net loss of ₹ 18 million and net cash flows amounting to ₹ 37 million for the year then ended; and (ii) 13 associate companies which constitute net profit of ₹ 474 million for the year then ended. These financial statements and other financial information (other than for the jointly controlled entities and associate companies as stated in Para 4 below) have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
4. Attention is invited to Note 37 (a) and 37 (b) of Notes to Financial Statements regarding certain associate entities and jointly controlled entities whose financial statements are unaudited, the impact of which is not likely to be material.
5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures notified under sub-section 3C of Section 211 of the Companies Act, 1956.
6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - (b) in the case of the consolidated Statement of Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **Price Waterhouse**

Firm Registration Number: FRN 301112E
Chartered Accountants

Abhishek Rara

Partner

Membership Number - F 77779

Place: Gurgaon
Date: 28th April, 2012

Consolidated Balance Sheet

AS AT 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	Notes to Accounts	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	1,445	1,445
Reserves and Surplus	3	155,300	141,643
		156,745	143,088
NON-CURRENT LIABILITIES			
Long Term Borrowings	4	1,698	2,747
Deferred Tax Liabilities (Net)	5	3,069	1,730
Other Long Term Liabilities	6	1,028	1,051
Long Term Provisions	7	1,683	1,400
		7,478	6,928
CURRENT LIABILITIES			
Short Term Borrowings	8	10,924	403
Trade Payables	9	34,661	26,923
Other Current Liabilities	10	15,939	9,960
Short Term Provisions	11	5,246	3,761
		66,770	41,047
TOTAL		230,993	191,063
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible Assets	12	75,340	56,261
Intangible Assets	13	2,115	457
Capital Work in Progress	14	6,122	8,792
		83,577	65,510
Non-Current Investments	15	17,909	14,437
Long Term Loans and Advances	16	16,763	13,108
Other Non-Current Assets	17	324	544
		118,573	93,599
CURRENT ASSETS			
Current Investments	18	47,541	39,956
Inventories	19	18,378	14,386
Trade Receivables	20	10,066	8,813
Cash and Bank Balances	21	24,634	25,320
Short Term Loans and Advances	22	7,990	7,031
Other Current Assets	23	3,811	1,958
		112,420	97,464
TOTAL		230,993	191,063

The notes are an integral part of these financial statements. This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

SHINZO NAKANISHI
Managing Director & CEO

TSUNEO OHASHI
Director

ABHISHEK RARA
Partner
Membership Number - F 77779

AJAY SETH
Chief Financial Officer

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Place: New Delhi
Date: 28th April, 2012

Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	Notes to Accounts	For the Year ended 31.03.2012	For the Year ended 31.03.2011
REVENUE FROM OPERATIONS			
Gross Sale of Products	24	391,569	406,330
Less: Excise Duty		39,597	43,000
Net Sale of Products		351,972	363,330
Other Operating Revenue	25	8,927	8,228
		360,899	371,558
Other Income	26	8,443	5,145
TOTAL REVENUE		369,342	376,703
EXPENDITURE			
Cost of Material Consumed [Share of Joint Ventures ₹ 3,802 million (Previous Year ₹ 4,048 million)]		270,873	275,426
Purchase of Stock-in-Trade [Share of Joint Ventures ₹ 253 million (Previous Year ₹ 93 million)]		15,579	12,781
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(1,333)	(600)
Employees Benefit Expenses	28	8,779	7,319
Finance Costs	29	616	294
Depreciation and Amortisation Expense	30	11,627	10,313
Other Expenses	31	42,177	40,077
Vehicles / Dies for Own Use		(427)	(257)
TOTAL EXPENSES		347,891	345,353
Profit before Tax		21,451	31,350
Less : Tax Expense - Current Tax [Share of Joint Ventures ₹ 19 million (Previous Year ₹ 27 million)]		4,183	8,183
- Deferred Tax [Share of Joint Ventures ₹ (40) million (Previous Year ₹ (5) million)]		932	96
Profit for the Year		16,336	23,071
Share of Profit in respect of Investment in Associates		474	753
Profit for the Year		16,810	23,824
Basic / Diluted Earnings Per Share of ₹ 5 each (in ₹) [Refer Note 39]		58.19	82.46

The notes are an integral part of these financial statements. This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	For the Year ended 31.03.2012	For the Year ended 31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	21,451	31,350
Adjustments for:		
Depreciation and amortisation	11,627	10,313
Interest Expense	547	244
Interest Income	(4,042)	(2,083)
Dividend Income	(727)	(2,133)
Share of Profit in respect of Investment in Associates	474	753
Net Loss on Sale / Discarding of Fixed Assets	157	79
Profit on Sale of Investments (Net)	2,575	597
Provisions no Longer Required Written Back	(1,092)	(189)
Unrealised Foreign Exchange (Gain)/ Loss	556	(26)
Operating Profit before Working Capital changes	31,526	38,905
Adjustments for changes in Working Capital :		
- Increase/(Decrease) in Trade Payables	7,738	4,992
- Increase/(Decrease) in Short Term Provisions	977	104
- Increase/(Decrease) in Long Term Provisions	1,375	556
- Increase/(Decrease) in Other Current Liabilities	5,414	(45)
- Increase/(Decrease) in Other Long Term Liabilities	(23)	677
- (Increase)/Decrease in Trade Receivables	(1,253)	(1,056)
- (Increase)/Decrease in Inventories	(3,992)	(2,108)
- (Increase)/Decrease in Loans and Advances	(4,616)	(1,560)
- (Increase)/Decrease in Other Current Assets	(2,377)	483
- (Increase)/Decrease in Other Non Current Assets	132	(353)
Cash generated from Operating Activities	34,901	40,595
- Taxes (Paid) (Net of Tax Deducted at Source)	(3,268)	(9,888)
Net Cash from Operating Activities	31,633	30,707
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(29,919)	(23,941)
Sale of Fixed Assets	70	80
Sale of Investments	154,763	340,790
Purchase of Investments	(168,395)	(320,616)
Interest Received	4,266	1,476
Dividend Received	727	2,111
Net Cash from Investing Activities	(38,488)	(100)

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2012

(All amounts in ₹ million, unless otherwise stated)

	For the Year ended 31.03.2012	For the Year ended 31.03.2011
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Short Term borrowings	10,924	329
Repayment of Short Term borrowings	(403)	(4,015)
Repayment of Long Term borrowings	(1,413)	(830)
Interest Paid	(421)	(314)
Dividend Paid	(2,167)	(1,733)
Corporate Dividend Tax Paid	(351)	(351)
Net Cash from Financing Activities	6,169	(6,914)
Net Increase/(Decrease) in Cash & Cash Equivalents	(686)	23,693
Cash and Cash Equivalents as at 1st April (Opening Balance)	25,320	1,627
Cash and Cash Equivalents as at 31st March (Closing Balance)	24,634	25,320
Cash and Cash Equivalents comprise	24,634	25,320
Cash & Cheques in Hand	699	863
Balance with Banks	274	233
Balance with Scheduled Banks in Deposit Accounts	23,661	24,224

Notes :

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 on "Cash Flow Statement" notified under Section 211 (3C) of the Companies Act, 1956.
- Cash and Cash Equivalents include ₹ 4 million (Previous Year ₹ 4 million) in respect of unclaimed dividend, the balance of which is not available to the Company.
- Figures in brackets represents cash outflow.

This is the Cash Flow Statement referred to in our report of even date.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 GROUP COMPANIES

Maruti Suzuki India Limited (The Company) has eight wholly owned subsidiaries, eight joint venture companies and thirteen associate companies (The Group), as given in the following table.

Sl. No.	Name of Company	Relationship	Country of Incorporation	Percentage of ownership interest as on 31.03.2012
1	Maruti Insurance Business Agency Limited (Formerly known as Maruti Insurance Brokers Limited)	Subsidiary	India	100.00
2	Maruti Insurance Distribution Services Limited	Subsidiary	India	100.00
3	True Value Solutions Limited	Subsidiary	India	100.00
4	Maruti Insurance Agency Network Limited	Subsidiary	India	100.00
5	Maruti Insurance Agency Solutions Limited	Subsidiary	India	100.00
6	Maruti Insurance Agency Services Limited	Subsidiary	India	100.00
7	Maruti Insurance Logistic Limited	Subsidiary	India	100.00
8	Maruti Insurance Broker Limited	Subsidiary	India	100.00
9	J.J Impex (Delhi) Private Limited	Joint Venture	India	49.13
10	Mark Exhaust Systems Limited	Joint Venture	India	44.37
11	Bellsonica Auto Components India Limited	Joint Venture	India	30.00
12	Krishna Ishizaki Auto Limited (Formerly known as Krishna Auto Mirrors Limited)	Joint Venture	India	15.00
13	FMI Automotive India Limited	Joint Venture	India	49.00
14	Inergy Automotive Systems Manufacturing India Private Limited	Joint Venture	India	26.00
15	Manesar Steel Processing (India) Private Limited	Joint Venture	India	15.00
16	Maruti Insurance Broking Private Limited	Joint Venture	India	47.92
17	Suzuki Powertrain India Limited	Associate	India	30.00
18	Climate Systems India Limited	Associate	India	39.00
19	SKH Metals Limited	Associate	India	48.71
20	Jay Bharat Maruti Limited	Associate	India	29.28
21	Caparo Maruti Limited	Associate	India	25.00
22	Machino Plastics Limited	Associate	India	15.35
23	Bharat Seats Limited	Associate	India	14.81
24	Krishna Maruti Limited	Associate	India	15.80
25	Asahi India Glass Limited	Associate	India	11.11
26	Denso India Limited	Associate	India	10.27
27	Nippon Thermostat (India) Limited	Associate	India	10.00
28	Sona Koyo Steering Systems Limited	Associate	India	6.94
29	Magneti Marelli Powertrain India Limited	Associate	India	19.00

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

1.2 BASIS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material respects with all the applicable accounting principles in India, the applicable accounting standards notified under Section 211(3C) of the Companies Act, 1956, Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict with any other accounting standard referred to Section 211 (3C) of the Act, other recognised accounting practices and policies and the relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

Investment in associates (entity over which the Company exercises significant influence, which is neither a subsidiary nor a joint venture) are accounted for using the equity method as per Accounting Standard 23 on Accounting for Investments in Associates in Consolidated Financial Statements.

Investments in joint venture undertakings over which the Company exercises joint control are accounted for using proportionate consolidation as per Accounting Standard 27 on Financial Reporting of Interests in Joint Ventures.

All unrealised surpluses and deficits on transactions between the group companies are eliminated.

Accounting policies between group companies are consistent to the extent practicable. Appropriate disclosure is made of significant deviations from the Company accounting policies, which have not been adjusted.

1.3 REVENUE RECOGNITION

Domestic and export sales are recognised on transfer of significant risks and rewards to the customer which takes place on dispatch of goods from the factory / stockyard / storage area and port respectively.

Finance charges on hire purchase business/ lease rental income are recognised on the basis of implicit rate of return on the value of assets hired out/leased.

Agency Commission income from insurance companies and remuneration to dealers are recognised based on the insurance policies issued by the dealers.

1.4 FIXED ASSETS

- a) Fixed assets (except freehold land which is carried at cost) are carried at cost of acquisition or construction or at manufacturing cost (in case of own manufactured assets) in the year of capitalisation less accumulated depreciation.
- b) Assets acquired under finance lease are capitalised at the lower of their fair value and the present value of minimum lease payments.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

1.5 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised till the month in which each asset is put to use as part of the cost of that asset.

1.6 DEPRECIATION / AMORTISATION

- a) Fixed assets except leasehold assets viz land are depreciated on the straight line method on a pro-rata basis from the month in which each asset is put to use.

Depreciation has been provided at the rates prescribed in Schedule XIV to the Companies Act, 1956 except for certain fixed assets where, based on the management's estimate of the useful lives of the assets, higher depreciation has been provided on the straight line method over the following useful lives:

Plant and Machinery	8 – 11 Years
Dies and Jigs	4 Years
Electronic Data Processing Equipments	3 Years

Depreciation has been provided on Straight Line Method at rate higher than Schedule XIV for some associate companies as follows:

Assets	Depreciation rates
Electrical Fittings	3 Years
Plant & Machinery	5 – 13 Years
Furniture & Fittings	5 – 7 Years
Vehicles	5 Years
Electronic Data Processing Equipments	3 – 5 Years

In respect of assets whose useful life has been revised, the unamortised depreciable amount is charged over the revised remaining useful life of the assets.

- b) Leasehold land is amortised over the period of lease.
- c) All assets, the individual written down value of which at the beginning of the year is ₹ 5,000 or less, are depreciated at the rate of 100%. Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%.
- d) Lump Sum royalty is amortised on a straight line basis over 4 years from the start of production of the related model.

1.7 GOODWILL

Goodwill arising on consolidation is charged to statement of profit and loss.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

1.8 INVENTORIES

- a) Inventories are valued at lower of cost, determined on the weighted average basis, and net realisable value.
- b) Tools are written off over a period of three years except for tools valued at ₹ 5,000 or less individually which are charged off to revenue in the year of purchase.
- c) Machinery spares (other than those supplied alongwith main plant and machinery, which are capitalised and depreciated accordingly) are charged to revenue on consumption except those valued at ₹ 5,000 or less individually, which are charged to revenue in the year of purchase.

In case of certain associates inventory is valued at lower of cost, determined on the first in first out basis, and net realisable value.

1.9 INVESTMENTS

Current investments are valued at the lower of cost and fair value. Long-term investments are valued at cost except in case of a permanent diminution in their value, in which case necessary provision is made.

1.10 RESEARCH AND DEVELOPMENT

Revenue expenditure on Research and Development is charged off against the profit of the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to fixed assets and depreciated accordingly.

1.11 FOREIGN CURRENCY TRANSLATIONS AND DERIVATIVE INSTRUMENTS

- a) Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transactions. Exchange differences arising on settlement of transactions are recognised as income or expense in the year in which they arise.
- b) At the balance sheet date, all monetary assets and liabilities denominated in foreign currency are reported at the exchange rates prevailing at the balance sheet date by recognising the exchange difference in Statement of Profit and Loss. However, the exchange difference arising on foreign currency monetary items that qualify and are designated as hedge instruments in a cash flow hedge is initially recognised in 'hedge reserve' and subsequently transferred to the statement of profit & loss on occurrence of the underlying hedged transaction.
- c) Effective 1st April, 2008, the Company adopted Accounting Standard -30, "Financial Instruments: Recognition and Measurement" issued by The Institute of Chartered Accountants of India to the extent the adoption does not contradict with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 and other regulatory requirements
- d) All derivative contracts (except for forward foreign exchange contracts where underlying assets or liabilities exist) are fair valued at each reporting date. For derivative contracts designated in a hedging relationship, the Company records the gain or loss on effective hedges, if any, in a hedge reserve, until the transaction is complete. On completion, the gain or loss is transferred to the statement of profit and loss of that period.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

Changes in fair value relating to the ineffective portion of the hedges and derivatives not qualifying or not designated as hedges are recognised in the statement of profit and loss in the accounting period in which they arise.

- e) In the case of forward foreign exchange contracts where an underlying asset or liability exists, the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Profit or loss arising on cancellation or renewal of a forward contract is recognised as income or expense in the year in which such cancellation or renewal is made.

1.12 EMPLOYEE BENEFIT COSTS

Short - Term Employee Benefits:

Recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

Post Employment and Other Long Term Employee Benefits :

- i. The Company has Defined Contribution Plans for post employment benefit namely the Superannuation Fund which is recognised by the income tax authorities. This Fund is administered through a Trust set up by the Company and the Company's contribution thereto is charged to revenue every year. The Company also maintains an insurance policy to fund a post-employment medical assistance scheme, which is a Defined Contribution Plan administered by The New India Insurance Company Limited. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to revenue every year.
- ii. The Company has Defined Benefit Plans namely Gratuity, Provident Fund and Retirement Allowance for employees and Other Long Term Employee Benefits i.e. Leave Encashment / Compensated Absences, the liability for which is determined on the basis of an actuarial valuation at the end of the year based on Projected Unit Credit Method and any shortfall in the size of the fund maintained by the Trust is additionally provided for in the statement of profit and loss. The Gratuity Fund and Provident Fund are recognised by the income tax authorities and is administered through Trusts set up by the Company.

Termination benefits are immediately recognised as an expense.

Gains and losses arising out of actuarial valuations are recognised immediately in the statement of profit and loss as income or expense.

In case of certain joint venture and associate companies, contributions towards gratuity are charged to Statement of Profit & Loss on the basis of premium paid to the Life Insurance Corporation of India.

1.13 CUSTOMS DUTY

Custom duty available as drawback is initially recognised as purchase cost and is credited to consumption of materials on exported vehicles.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

1.14 GOVERNMENT GRANTS

Government grants are recognised in the statement of profit and loss in accordance with the related schemes and in the period in which these accrue.

1.15 TAXES

Tax expense for the year, comprising current tax and deferred tax, is included in determining the net profit/ (loss) for the year.

Current tax is recognised based on assessable profit computed in accordance with the Income Tax Act and at the prevailing tax rate.

Deferred tax is recognised for all timing differences. Deferred tax assets are carried forward to the extent it is reasonably / virtually certain that future taxable profit will be available against which such deferred tax assets can be realised.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Deferred tax assets / Minimum Alternative Tax credit are reviewed at each balance sheet date and written down/ written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date.

1.16 DIVIDEND INCOME

Dividend from investments is recognised when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

1.17 INTEREST INCOME

Interest income is recognised on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

1.18 IMPAIRMENT OF ASSETS

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

1.19 ROYALTY

- a) The Company pays / accrues for royalty in accordance with the relevant agreements with the technical know-how providers.
- b) The lump sum royalty incurred towards obtaining technical assistance / technical know how to manufacture a new model/ car, ownership of which rests with the technical know how provider, is recognised as an

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(All amounts in ₹ million, unless otherwise stated)

intangible asset in accordance with the requirements of Accounting Standard-26 "Intangible Assets". Royalty payable on sale of products i.e. running royalty is charged to Statement of Profit and Loss as and when incurred.

1.20 PROVISIONS AND CONTINGENCIES

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

1.21 CASH AND CASH EQUIVALENTS

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2. SHARE CAPITAL

Particulars	As at 31.03.2012	As at 31.03.2011
Authorised Capital		
744,000,000 equity shares of ₹ 5 each (Previous year 744,000,000 equity shares of ₹ 5 each)	3,720	3,720
Issued, Subscribed and Paid up		
288,910,060 equity shares of ₹ 5 each (Previous year 288,910,060 equity shares of ₹ 5 each) fully paid up	1,445	1,445
	1,445	1,445

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[All amounts in ₹ million, unless otherwise stated]

Equity shares held by the holding company and its nominees

Particulars	As at 31.03.2012		As at 31.03.2011	
	Number of Shares	Amount	Number of Shares	Amount
Suzuki Motor Corporation, the holding company	156,618,440	783	156,618,360	783
Shinzo Nakanishi (Nominee of Suzuki Motor Corporation)	-	-	20	0
Kinji Saito (Nominee of Suzuki Motor Corporation)	-	-	20	0
Shinichi Takeuchi (Nominee of Suzuki Motor Corporation)	-	-	20	0
Motohiro Atsumi (Nominee of Suzuki Motor Corporation)	-	-	20	0
	156,618,440	783	156,618,440	783

Reconciliation of the number of shares outstanding

Particulars	As at 31.03.2012		As at 31.03.2011	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year and at the end of the year	288,910,060	1,445	288,910,060	1,445
	288,910,060	1,445	288,910,060	1,445

Rights, preferences and restriction attached to shares

The Company has one class of equity shares with a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

	%	Number of Shares	%	Number of Shares
Suzuki Motor Corporation (the holding company) and its nominees	54.21	156,618,440	54.21	156,618,440
Life Insurance Corporation of India	8.45	24,399,405	8.79	25,384,888
HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	4.88	14,106,975	5.9	17,053,250

3. RESERVES AND SURPLUS

	As at 31.03.2012	As at 31.03.2011
Capital Reserve on consolidation (Includes Joint Venture share of ₹ 3 million) (Previous Year ₹ 3 million)	31	31
Securities Premium Account (Includes Joint Venture share of ₹ 5 million) (Previous Year ₹ 5 million)	4,246	4,246
General Reserve		
Balance as at the beginning of the year	14,217	11,928
Add : Transferred from Surplus in Statement of Profit and Loss	1,635	2,289
Balance as at the end of the year	15,852	14,217
Hedge Reserve		
Balance as at the beginning of the year	194	238
Less : Release / adjustments during the year	635	44
Balance as at the end of the year	(441)	194
Surplus in statement of Profit and Loss		
Balance as at the beginning of the year	122,955	103,938
Add : Profit for the year	16,810	23,824
Less : Appropriations:		
Transferred to General Reserve	1,635	2,289
Proposed dividend	2,167	2,167
Dividend distribution tax	351	351
Balance as at the end of the year	135,612	122,955
(Includes Joint Venture share of ₹ (263) million) (Previous Year ₹ (75) million)		
	155,300	141,643

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[All amounts in ₹ million, unless otherwise stated]

4. LONG TERM BORROWINGS

[Refer Note 10]

	As at 31.03.2012	As at 31.03.2011
Unsecured		
Foreign currency loans from banks	-	1,390
	-	1,390
Share in Joint Ventures	1,698	1,357
	1,698	2,747

- Foreign currency loans are repayable in 8 half yearly instalments starting in July 2009
 - to Japan Bank of International Cooperation along with interest rate of LIBOR + 0.125.
 - to Bank of Tokyo Mitsubishi along with interest rate of LIBOR + 0.100.
- The repayment of above mentioned foreign currency loans are guaranteed by Suzuki Motor Corporation, Japan (the holding company)

5. DEFERRED TAX LIABILITIES (NET)

Major components of deferred tax arising on account of timing differences along with their movement as at 31st March, 2012 are :

Deferred Tax Assets	31.03.2011	Movement during the year	31.03.2012
Provision for doubtful debts / advances	184	(8)	176
Contingent provisions	203	(51)	152
Others	481	16	497
	868	(43)	825
Share in Joint Ventures	2	(1)	1
TOTAL (A)	870	(44)	826
Deferred Tax Liabilities			
Depreciation on fixed assets	2,281	1,170	3,451
Exchange gain on capital accounts	(73)	(186)	(259)
Allowances under Income Tax Act, 1961	305	352	657
	2,513	1,336	3,849
Share in Joint Ventures	87	(41)	46
TOTAL (B)	2,600	1,295	3,895
Net Deferred Tax Liability* (B) - (A)	1,730	1,339	3,069
Previous Year	1,461	269	1,730

* Includes adjustment of ₹ 407 million (Previous year ₹ 173 million) on account of reclassification to "Deferred Tax Liabilities" from "Provision for Taxation"

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

6. OTHER LONG TERM LIABILITIES

	As at 31.03.2012	As at 31.03.2011
Deposits from dealers, contractors and others	983	976
Others	1	1
	984	977
Share in Joint Ventures	44	74
	1,028	1,051

7. LONG TERM PROVISIONS

Provisions for employee benefits				
Provision for retirement allowance		35		35
Other provisions				
Provision for litigation / disputes	909		869	
Provision for warranty & product recall	739	1,648	492	1,361
		1,683		1,396
Share in Joint Ventures		-		4
		1,683		1,400

Details of Other Provisions:

	Litigation / Disputes		Warranty/ Product Recall		Others	
	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011
Balance at the beginning of the year	897	819	929	810	16	16
Additions during the year	104	81	581	393	1	
Utilised/ reversed during the year	92	3	179	274	7	
Balance as at the end of the year	909	897	1,331	929	10	16
Classified as Long Term	909	869	739	492	-	4
Classified as Short Term	-	28	592	437	10	16
	909	897	1,331	929	10	20

- Provision for litigation / disputes represents the estimated outflow in respect of disputes with various government authorities.
- Provision for warranty and product recall represents the estimated outflow in respect of warranty and recall cost for products sold.
- Provision for others represents the estimated outflow in respect of disputes or other obligations on account of excise duty, export obligation etc.
- Due to the nature of the above costs, it is not possible to estimate the timing / uncertainties relating to their outflows as well as the expected reimbursements from such estimates.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

8. SHORT TERM BORROWINGS

	As at 31.03.2012	As at 31.03.2011
Unsecured		
From banks - cash credit	80	312
From banks - buyers credit and packing credit loans	10,703	-
	10,783	312
Share in Joint Ventures	141	91
	10,924	403

9. TRADE PAYABLES

Trade Payables		
Due to Micro and Small enterprises	288	172
Others	33,240	25,926
	33,528	26,098
Share in Joint Ventures	1,133	825
	34,661	26,923

The Company pays its vendors within 30 days and no interest during the year has been paid or is payable under the terms of the Micro, Small and Medium Enterprises Development Act, 2006.

10. OTHER CURRENT LIABILITIES

	As at 31.03.2012	As at 31.03.2011
Current maturities of long term debts (Refer Note 4 above)	1,586	1,390
Interest accrued but not due on:		
- Borrowings	126	4
- Deposits from dealers, contractors and others	43	39
	169	43
Unclaimed dividend *	5	5
Creditors for capital goods	5,245	2,634
Other payables	1,746	738
Book overdraft	1,365	1,224
Advances from customers/dealers	2,435	1,726
Statutory dues	2,164	1,895
Deposits from dealers, contractors and others	1,178	303
	14,133	8,520
	15,893	9,958
Share in Joint Ventures	46	2
	15,939	9,960

* Unclaimed dividend does not include any amount due to be credited to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

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TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. SHORT TERM PROVISIONS

[All amounts in ₹ million, unless otherwise stated]

	As at 31.03.2012		As at 31.03.2011	
Provisions for employee benefits				
(Refer Note 7 and 28)				
Provision for retirement allowances	2		2	
Provision for compensated absences	850	852	752	754
Other provisions				
(Refer Note 7)				
Provision for litigation / disputes	-		28	
Provision for warranty & product recall	592		437	
Provision for proposed dividend*	2,167		2,167	
Provision for corporate dividend tax	351		351	
Provision for taxation [Net of tax paid]	1,274		8	
Others	10	4,394	16	3,007
		5,246		3,761
Share in Joint Ventures		-		-
		5,246		3,761

* The final dividend proposed for the year is as follows:

	As at 31.03.2012	As at 31.03.2011
On equity shares of ₹ 5 each		
Amount of dividend proposed	2,167	2,167
Dividend per equity share	₹ 7.50	₹ 7.50

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TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. FIXED ASSETS

(All amounts in ₹ million, unless otherwise stated)

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at	Additions	Deductions/ Adjustments	Upto	For the	Deductions/ Adjustments	As at	As at
	01.04.2011			01.04.2011	year		31.03.2012	31.03.2011
Freehold land (Refer Note 1,3 & 4 below)	9,514	2,800	-	-	-	-	12,314	9,514
Leasehold land	1,371	515	-	9	13	-	1,864	1,362
Building	8,047	3,429	-	1,619	290	-	1,909	6,428
Plant and Machinery (Refer Note 2 below)	97,191	23,204	(1,301)	59,426	10,678	(1,184)	68,920	37,765
Electronic Data Processing Equipment	1,327	228	(112)	1,116	158	(110)	1,164	211
Furniture, Fixtures and Office Appliances	826	117	(1)	286	51	2	339	540
Vehicles:								
- Owned	602	261	(144)	161	58	(39)	180	441
TOTAL	118,878	30,554	(1,558)	62,617	11,248	(1,331)	72,534	56,261
Previous Year Figures	105,891	15,023	(2,036)	54,337	10,157	(1,877)	62,617	56,261
Share in Joint Venture (Refer Note 5 below)	2,108	1,045	(4)	723	238	(4)	957	2,192
Previous Year Figures	1,957	149	2	539	186	(2)	723	1,385

- (1) Freehold land costing ₹ 5,268 million (Previous year ₹ 5,304 million) is not yet registered in the name of the Company. A part of this land has been made available to group companies.
- (2) Plant and Machinery (gross block) includes pro-rata cost amounting to ₹ 374 million (Previous year ₹ 374 million) of a Gas Turbine jointly owned by the Company with its group companies and other companies.
- (3) Freehold Land includes 600 acres of land allotted to the Company by Haryana State Industrial Development Corporation, a part of which has been made available to group companies.
- (4) Additions to free hold land includes ₹ 2,354 million accrued for as price adjustment claimed by the authority which allotted the land in an earlier year.
- (5) The Joint Ventures' share is included in the above schedule.

13. INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at	Additions	Deductions/ Adjustments	Upto	For the	Deductions/ Adjustments	As at	As at
	01.04.2011			01.04.2011	year		31.03.2012	31.03.2011
Own Assets (Acquired):								
Lump Sum Royalty	648	2,035	-	191	377	-	568	2,115
TOTAL	648	2,035	-	191	377	-	568	457
Previous Year Figures	194	454	-	35	156	-	191	457
Share in Joint Venture (Refer Note 1 below)	-	20	-	-	4	-	4	16
Previous Year Figures	-	-	-	-	-	-	-	-

- (1) The Joint Ventures' share is included in the above schedule.

Notes

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[All amounts in ₹ million, unless otherwise stated]

14. CAPITAL WORK IN PROGRESS

	As at 31.03.2012	As at 31.03.2011
Plant and Machinery	3,796	6,045
Civil Work in Progress	2,318	2,580
	6,114	8,625
Share in Joint Ventures	8	167
	6,122	8,792

15. NON-CURRENT INVESTMENTS

	As at 31.03.2012		As at 31.03.2011	
Investment in Associates				
[Includes ₹ 28 million of capital reserves on acquisition of certain Associates (Previous year ₹ 28 million)]	7,593		5,858	
	7,593		5,858	
Less: Provision for diminution other than temporary in value of investments	-	7,593	147	5,711
Other Investment (valued at cost unless otherwise stated)				
Investment in corporate bonds - quoted	-		7,000	
Investment in mutual funds - unquoted	10,299		1,725	
Investment in preference shares - unquoted	50		50	
	10,349		8,775	
Less: Provision for diminution other than temporary in value of investments	50	10,299	50	8,725
		17,892		14,436
Share in Joint Ventures		17		1
		17,909		14,437
Aggregate value of unquoted investments		17,942		7,633
Aggregate value of quoted investments		-		7,000
Market value of quoted investments *		-		7,000
Aggregate value of provision for diminution other than temporary in value of investments		50		197

* Market value of corporate bonds was not available as at 31st March, 2011

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

16. LONG TERM LOANS AND ADVANCES

	As at 31.03.2012		As at 31.03.2011	
Capital advances				
Unsecured - considered good	7,949		5,624	
- considered doubtful	13		13	
	7,962		5,637	
Less: Provision for doubtful capital advances	13	7,949	13	5,624
Security deposits				
Unsecured - considered good		108		101
Loans and advances to related parties				
Unsecured - considered good		1,800		1,800
Taxes paid under dispute				
Unsecured - considered good		6,481		4,498
Inter corporate deposits - considered doubtful	125		125	
Less: Provision for doubtful deposits	125	-	125	-
Other Loans and Advances				
Secured - considered good	12		17	
Unsecured - considered good	373		519	
- considered doubtful	73		81	
	458		617	
Less: Provision for doubtful other loans and advances	73	385	81	536
		16,723		12,559
Share in Joint Ventures		40		549
		16,763		13,108

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[All amounts in ₹ million, unless otherwise stated]

17. OTHER NON-CURRENT ASSETS

	As at 31.03.2012		As at 31.03.2011	
Interest Accrued on Deposits, Loans and Advances				
Secured - considered good	12		18	
- considered doubtful	-		6	
	12		24	
Less Provision for doubtful interest	-	12	6	18
Unsecured - considered good	-		82	
- considered doubtful	1		1	
	1		83	
Less Provision for doubtful interest	1	-	1	82
Claims				
Unsecured - considered good	246		365	
- considered doubtful	27		27	
	273		392	
Less Provision for doubtful claims	27	246	27	365
Others		6		6
		264		471
Share in Joint Ventures		60		73
		324		544

18. CURRENT INVESTMENTS

	As at 31.03.2012	As at 31.03.2011
Investment in mutual funds - unquoted	47,541	39,956
	47,541	39,956
Share in Joint Ventures	-	-
	47,541	39,956

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[All amounts in ₹ million, unless otherwise stated]

19. INVENTORIES

	As at 31.03.2012		As at 31.03.2011	
Components and Raw Materials				
At factory	5,405		4,164	
With vendors	333		375	
In transit	4,165	9,903	3,045	7,584
Work in Progress		593		457
Finished Goods Manufactured				
At factory		5,334		4,041
Traded Goods				
At factory - vehicle	297		171	
At factory - vehicle spares	1,146		1,108	
In transit	43	1,486	26	1,305
Stores and Spares				
At Factory		448		493
Tools				
At Factory		191		261
		17,955		14,141
Share in Joint Ventures		423		245
		18,378		14,386

20. TRADE RECEIVABLES

Unsecured - considered good				
Outstanding for a period exceeding six months from the date they are due for payment	18		108	
Others	9,372	9,390	8,152	8,260
Unsecured - considered doubtful				
Outstanding for a period exceeding six months from the date they are due for payment	35		179	
Less Provision for doubtful debts	35	-	179	-
		9,390		8,260
Share in Joint Ventures		676		553
		10,066		8,813

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(All amounts in ₹ million, unless otherwise stated)

21. CASH AND BANK BALANCES

	As at 31.03.2012		As at 31.03.2011	
Cash and Cash Equivalents				
Cash on hand	5		5	
Cheques and drafts on hand	691		857	
Bank balances in current accounts	84		120	
Deposits (less than 3 months maturity)	1,000	1,780	-	982
Other Bank Balances				
Deposits (more than 3 months but less than 12 months maturity)	5,600		10,840	
Long term deposits (more than 12 months maturity)	17,000		13,290	
Unclaimed dividend accounts	5	22,605	5	24,135
		24,385		25,117
Share in Joint Ventures		249		203
		24,634		25,320

22. SHORT TERM LOANS AND ADVANCES

Loans and Advances to Related Parties				
Unsecured - considered good		867		894
Balance with Customs, Port Trust and Other Government Authorities				
Unsecured - considered good		5,044		4,187
Other Loans and Advances				
Secured - considered good	5		5	
Unsecured - considered good	1,878	1,883	1,750	1,755
		7,794		6,836
Share in Joint Ventures		196		195
		7,990		7,031

23. OTHER CURRENT ASSETS

Interest Accrued on Deposits, Loans and Advances				
Secured - considered good	6		6	
Unsecured - considered good	530	536	666	672
Claims - unsecured, considered good		788		544
Other receivable - steel coils - unsecured considered good		2,431		632
Others				
Unsecured - considered good	9		84	
Unsecured - considered doubtful	-		87	
	9		171	
Less Provision for doubtful debts	-	9	87	84
		3,764		1,932
Share in Joint Ventures		47		26
		3,811		1,958

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TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

24. GROSS SALE OF PRODUCTS

	For the year ended 31.03.2012	For the year ended 31.03.2011
Vehicles	362,111	380,607
Spare parts / dies and moulds / components	24,030	20,414
	386,141	401,021
Share in Joint Ventures	5,428	5,309
	391,569	406,330

25. OTHER OPERATING REVENUE

Income from services [Net of expenses of ₹ 689 million (Previous Year ₹ 378 million)]	1,720	2,121
Sale of scrap	2,950	2,750
Cash discount received	2,018	1,919
Others	2,126	1,314
	8,814	8,104
Share in Joint Ventures	113	124
	8,927	8,228

26. OTHER INCOME

	For the year ended 31.03.2012		For the year ended 31.03.2011	
Interest Income (gross) on:				
a) Fixed deposits	2,330		681	
b) Corporate bonds	528		298	
c) Receivables from dealers	665		487	
d) Advances to vendors	211		253	
e) Income tax refund	295		360	
f) Others	13	4,042	4	2,083
Dividend Income from:				
a) Long term investments	80		68	
b) Others	647	727	2,065	2,133
Net gain on sale of investments				
a) Long term	2,567		504	
b) Short term	8	2,575	93	597
Provisions no longer required written back		1,092		189
Net gain on foreign currency transactions and translation		-		135
		8,436		5,137
Share in Joint Ventures		7		8
		8,443		5,145

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[All amounts in ₹ million, unless otherwise stated]

27. (INCREASE) / DECREASE IN WORK IN PROGRESS, FINISHED GOODS AND SPARE PARTS

	For the year ended 31.03.2012		For the year ended 31.03.2011	
Work in Progress				
Opening stock	457		401	
Less: Closing stock	593	(136)	457	(56)
Finished Goods				
Opening stock	4,220		3,794	
Less: Closing stock	5,631		4,220	
	(1,411)		(426)	
Less: Excise duty on increase / (decrease) of finished goods	(289)	(1,122)	(132)	(294)
Spare Parts - Traded				
Opening stock	1,108		858	
Less: Closing stock	1,146	(38)	1,108	(250)
Traded Goods - in transit				
Opening stock	27		67	
Less: Closing stock	43	(16)	27	40
		(1,312)		(560)
Share in Joint Ventures		(21)		(40)
		(1,333)		(600)

28. EMPLOYEE BENEFIT EXPENSES

	For the year ended 31.03.2012	For the year ended 31.03.2011
Salaries, wages, allowances and other benefits [Net of staff cost recovered ₹ 120 million (Previous year ₹ 99 million)]	7,606	6,256
Contribution to provident and other funds	330	303
Staff welfare expenses	502	477
	8,438	7,036
Share in Joint Ventures	341	283
	8,779	7,319

The Company has calculated the various benefits provided to employees as under :

A. Defined Contribution Plans

- Superannuation Fund
- Post Employment Medical Assistance Scheme.

During the year the Company has recognised the following amounts in the statement of profit and loss :-

	March 31,2012	March 31,2011
Employers Contribution to Superannuation Fund*	44	35
Employers Contribution to Post Employment Medical Assistance Scheme.*	2	2

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TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

B. State Plans

- Employers contribution to Employee State Insurance.*
- Employers contribution to Employee's Pension Scheme 1995.*

During the year the Company has recognised the following amounts in the statement of profit and loss :-

	March 31,2012	March 31,2011
Employers contribution to Employee State Insurance.*	2	5
Employers contribution to Employee's Pension Scheme 1995.*	80	48

* Included in Contribution to Provident and Other Funds above

C. Defined Benefit Plans and Other Long Term Benefits

- Contribution to Gratuity Funds - Employee's Gratuity Fund.
- Leave Encashment/ Compensated Absence.
- Retirement Allowance
- Provident Fund

In accordance with Accounting Standard 15 (revised 2005), an actuarial valuation was carried out in respect of the aforesaid defined benefit plans and other long term benefits based on the following assumptions.

	March 31,2012				March 31,2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Discount rate (per annum)	8.25%	9.00%	9.00%	9.00%	8.50%	8.50%	8.50%
Rate of increase in compensation levels	Not Applicable	6.00%	6.00%	0.00%	6.00%	6.00%	0.00%
Rate of return on plan assets.	8.55%	Not Applicable	9.00%	Not Applicable	Not Applicable	8.00%	Not Applicable
Expected average remaining working lives of employees [years]	25	22	22	22	22	22	22

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Changes in present value of obligations

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at beginning of the year	4,539	753	827	37	660	734	28
Interest cost	396	57	73	3	45	61	2
Current service cost	615	56	51	-	32	45	-
Benefits paid	101	141	28	-	172	21	-
Actuarial gain/ (loss) on obligations	10	125	(75)	(3)	188	7	7
Present value of obligation as at the year end	5,459	850	848	37	753	827	37

Changes in the fair value of plan assets

	March 31, 2012		March 31, 2011
	Provident Fund	Employees Gratuity Fund	Employees Gratuity Fund
Fair value of Plan Assets as at beginning of the year	4,670	827	734
Expected return on Plan Assets	399	74	59
Contribution	615	28	25
Benefits paid	101	28	21
Actuarial gain/ (loss) on obligations	(103)	6	30
Fair value of plan assets as at the year end	5,480	907	827

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Reconciliation of present value of defined benefit obligation and fair value of assets

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at the year end	5459	850	848	37	753	827	37
Fair value of plan assets as at the year end	5480	-	907	-	-	827	-
Surplus/ (Deficit)	21	(850)	60	(37)	(753)	-	(37)
Unfunded net asset/ (liability) recognised in balance sheet.	-	(850)	-	(37)	(753)	-	(37)

	March 31, 2010			March 31, 2009		
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at the year end	659	734	29	550	621	27
Fair value of plan assets as at the year end	-	734	-	-	621	-
Surplus/ (deficit)	(659)	-	(29)	(550)	-	(27)
Unfunded net asset/ (liability) recognised in balance sheet.	(659)	-	(29)	(550)	-	(27)

	March 31, 2008		
	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Present value of obligation as at the year end	429	524	25
Fair value of plan assets as at the year end	-	491	-
Surplus/ (deficit)	(429)	(33)	(25)
Unfunded net asset/ (liability) recognised in balance sheet.	(429)	-	(25)

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

Expenses recognised in the statement of profit & loss

	March 31, 2012				March 31, 2011		
	Provident Fund	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance	Leave Encashment/ Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Current service cost	615	56	51	-	32	45	-
Interest cost	396	57	73	3	45	61	2
Expected return on plan assets	(399)	-	(74)	-	-	(59)	-
Settlement cost	-	-	-	-	-	-	-
Net actuarial gain/ (loss) recognised during the year	113	125	(81)	(3)	188	(23)	7
Total expense recognised in statement of profit & loss*	725	238	-	-	265	25	9

* Included in "Salaries Wages, Allowances and Other Benefits" above except for Employee Gratuity Fund which is included in "Contribution to Provident and Other Funds" above

Constitution of Plan Assets	Gratuity	
	March 31, 2012	March 31, 2011
(a) Debt Funds	324	379
(b) Others	583	448
TOTAL	907	827

The return on the investment is the nominal yield available on the format of investment as applicable to Approved Gratuity Fund under Rule 101 of Income Tax Act 1961.

Expected contribution on account of Gratuity for the year ending 31st March, 2012 can not be ascertained at this stage.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

29. FINANCE COSTS

	For the year ended 31.03.2012		For the year ended 31.03.2011	
Interest on :				
- Foreign currency loans from banks	15		28	
- Buyers' credit and export credit	273		14	
- Deposits from dealers, contractors and others	259	547	202	244
Other Borrowing Costs		5		6
		552		250
Share in Joint Ventures		64		44
		616		294

30. DEPRECIATION & AMORTISATION EXPENSE

(Refer Note 12 & 13)

Depreciation / amortisation on tangible assets	11,012	9,980
Amortisation on intangible assets	373	156
	11,385	10,136
Share in Joint Ventures	242	177
	11,627	10,313

31. OTHER EXPENSES

Consumption of stores	911	702
Power and fuel [Net of amount recovered ₹ 1,716 million (Previous year ₹ 1,451 million)]	2,295	2,102
Rent [Refer Note 40]	156	155
Repairs and maintenance :		
- Plant and machinery	532	569
- Building	163	102
- Others	210	177
	905	848
Insurance	91	78
Rates, taxes and fees	827	872
Royalty	18,031	18,925
Tools / machinery spares charged off	1,548	1,304
Net loss on foreign currency transaction and translation	1,810	-
Advertisement	2,781	3,105
Sales promotion	1,966	1,705
Warranty and product recall	581	393
Transportation and distribution expenses	4,631	4,415
Net loss on sale / discarding of fixed assets	157	79
Provision for doubtful debts	21	-
Other miscellaneous expenses	4,951	4,954
	41,662	39,637
Share in Joint Ventures	515	440
	42,177	40,077

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

32. CONTINGENT LIABILITIES:

a) Claims against the Group disputed and not acknowledged as debts:

	As at 31.03.2012	As at 31.03.2011
(i) Excise Duty		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal	1,065	1,066
(b) Show cause notices / orders on the subjects covered in (i) (a) above for other periods	1,652	1,932
(c) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods (Including share of Joint Venture Current Year ₹ 34 million; Previous Year ₹ Nil million)	15,054	10,803
TOTAL	17,771	13,801
Amount deposited under protest	3	3
(ii) Service Tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal	11	357
(b) Show cause notices / orders on the subjects covered in (ii) (a) above for other periods	3,690	2,775
(c) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	1,734	3,348
TOTAL	5,435	6,480
Amount deposited under protest	3	2
(iii) Income Tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal	6,230	6,491
(b) Cases pending before Appellate authorities / Dispute Resolution Panel in respect of which the Company has filed appeal (Including share of Joint Venture Current Year ₹ 6 million; Previous Year ₹ 2 million)	9,859	6,055
TOTAL	16,089	12,546
Amount deposited under protest (Including share of Joint Venture Current Year ₹ 2 million; Previous Year ₹ 2 million)	6,137	4,180
(iv) Customs Duty		
Cases pending before Appellate authorities in respect of which the Company has filed appeals	119	120
Amount deposited under protest	22	22
(v) Sales Tax		
Cases pending before Appellate authorities in respect of which the Company has filed appeals (Including share of Joint Venture Current Year ₹ Nil million; Previous Year ₹ 1 million)	70	68
Amount deposited under protest	2	2
(vi) Claims against the Company for recovery of ₹ 583 million (including share of Joint Venture ₹ 7 million) (Previous year ₹ 609 million) (including share of Joint Venture ₹ 3 million) lodged by various parties		

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

- (vii)** The company has received and accounted for a demand for an interim price adjustment of ₹ 2,354 million for a freehold land acquired from a state government authority in an earlier year. The amount payable, if any, on account of final price adjustment can not be ascertained at this stage
- b)** The amounts shown in the item (a) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.
- 33.** Outstanding commitments under Letters of Credit established by the Group aggregating ₹ 2,100 million (includes share of Joint Venture ₹ Nil million) (Previous year ₹ 9,676 million) (includes share of Joint Venture ₹ 49 million).
- 34.** Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for, amounts to ₹ 27,429 million (includes share of Joint Venture ₹ 42 million) (Previous year ₹ 27,103 million) (includes share of Joint Venture ₹ 49 million).
- 35.** Consumption of raw materials and components has been computed by adding purchases to the opening stock and deducting closing stock verified physically by the management.
- 36.** Differences between accounting policies of the Company and other group companies, the impact of which is not expected to be material.
- a) In case of certain associate and joint venture companies, contributions towards gratuity are charged to Statement of Profit & Loss on the basis of premium paid to the Life Insurance Corporation of India.
- b) Deferred Revenue Expenditure of Joint Venture and Associate Companies have been charged to Statement of Profit & Loss in the year of incurrence.
- c) In case of certain associate companies, First In First Out method of inventory valuation is followed.
- d) In case of a joint venture company, fair value (mark to market) of a derivative instrument i.e. an interest rate swap has not been computed as at 31st March, 2012.
- e) In case of certain associates, written down value method of depreciation is followed.
- f) In case of a joint venture company, warranty expenses is charged to Statement of Profit & Loss as and when claimed by customer on actual basis.
- 37.** a) The Profit after tax of Denso India Limited, Machino Plastics Limited, Sona Koyo Steering Systems Limited & Asahi India Glass Limited has been annualised based on unaudited financial statements of nine months ended 31st December, 2011. It is unlikely that the audited results would be materially different from annualised results.
- b) The Profit after tax of Climate Systems India Limited, Krishna Maruti Limited, SKH Metals Limited, Manesar Steel Processing (India) Private Limited, Bellsonica Auto Component India Private Limited, Magneti Marelli Powertrain India Limited, Krishna Ishizaki Auto Limited, and Bharat Seats Limited has been taken on the basis of unaudited financial statements for financial year ended 31st March, 2012. It is unlikely that the audited results would be materially different from unaudited results.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

38. The Group has considered "business segment" as the primary segment. The Group is primarily in the business of manufacture, purchase and sale of motor vehicles, automobile components and spare parts ("automobiles"). The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing. The income from these activities, which are incidental to the Company's business, is not material in financial terms but contribute significantly in generating the demand for the products of the Company. Accordingly, the Group has considered "Business Segment" as the primary segment and thus no business segment information is required to be disclosed.

The "Geographical Segments" have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

Financial information of geographical segments is as follows :

Particulars	2011-12				2010-11			
	Domestic	Overseas	Unallocated	TOTAL	Domestic	Overseas	Unallocated	TOTAL
Revenue from external customers	361,286	40,302	7,351	408,939	376,409	38,473	4,821	419,703
Segment assets	203,702	7,577	19,714	230,993	168,669	6,152	16,242	191,063
Capital expenditure during the year	32,244	-	-	32,244	26,542	-	-	26,542

Notes:-

- Domestic segment includes sales and services to customers located in India
- Overseas segment includes sales and services rendered to customers located outside India.
- Unallocated revenue includes interest income, dividend income and profit on sale of investments.
- Unallocated assets include other deposits, dividend bank account and investments.
- Segment assets includes fixed assets, inventories, sundry debtors, cash and bank balances (except dividend bank account), other current assets, loans and advances (except other deposits).
- Capital expenditure during the year includes fixed assets (tangible and intangible assets) and net additions to capital work in progress.

39. STATEMENT OF EARNING PER SHARE

	2011-12	2010-11
Net Profit after tax attributable to shareholders (in million ₹)	16,810	23,824
Weighted average Number of equity shares outstanding during the year (Nos)	288,910,060	288,910,060
Nominal value per share (In ₹)	5.00	5.00
Basic/diluted earning per share (In ₹)	58.19	82.46

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

[All amounts in ₹ million, unless otherwise stated]

40. MINIMUM LEASE PAYMENTS OUTSTANDING AS ON 31ST MARCH, 2012 IN RESPECT OF ASSETS TAKEN ON NON-CANCELLABLE OPERATING LEASES ARE AS FOLLOWS : -

Due	March 31, 2012	March 31, 2011
	Total Minimum Lease Payments Outstanding as on 31.03.2012	Total Minimum Lease Payments Outstanding as on 31.03.2011
Within One Year	49	49
Later than one Year but less than five Years	212	207
Later than five Years	741	796

Charged to Rent Expense	March 31, 2012	March 31, 2011
	Minimum Lease Payment	Minimum Lease Payment
Charged to Rent Expense	57	60

The Company has taken certain premises on cancellable operating leases. The rent expense amounting to ₹ 99 million (Previous year ₹ 95 million) has been charged to the statement of profit and loss account.

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

4.1. STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

Holding Company

Suzuki Motor Corporation

Joint Ventures

J.J. Impex (Delhi) Private Limited
Mark Exhaust Systems Limited
Bellsonica Auto Component India Private Limited

Fellow Subsidiaries (Only with whom the Company had transactions during the year)

Mr. Shinzo Nakanishi
Mr. Shuji Oishi
Mr. Tsuneo Ohashi
Mr. Keiichi Asai

Associates
Asahi India Glass Limited
Bharat Seats Limited
Caparo Maruti Limited
Climate Systems India Limited
Denso India Limited
Jay Bharat Maruti Limited
Krishna Maruti Limited
Machino Plastics Limited
SKH Metals Limited
Nippon Thermostat (India) Limited
Sona Koyo Steering Systems Limited
Magneti Marelli Powertrain India Private Limited
Suzuki Powertrain India Limited *

Subsidiaries
Maruti Insurance Agency Services Limited
Maruti Insurance Agency Logistics Limited
Maruti Insurance Distribution Services Limited
Maruti Insurance Agency Network Limited
Maruti Insurance Agency Solutions Limited
True Value Solutions Limited
Maruti Insurance Business Agency India Limited
Maruti Insurance Broker Limited

Key Management Personnel
Mr. Shinzo Nakanishi
Mr. Shuji Oishi
Mr. Tsuneo Ohashi
Mr. Keiichi Asai

Fellow Subsidiaries (Only with whom the Company had transactions during the year)
Suzuki International Europe G.m.b.H.
Suzuki Motor Iberica, S.A.U.
Suzuki Italia S.P.A.
Suzuki Austria Automobile Handels G.m.b.H.
Suzuki France S.A.S.
Magyar Suzuki Corporation Ltd.
Suzuki GB PLC
Suzuki Cars (Ireland) Ltd.
SUZUKI MOTOR POLAND SP. Z.O.O. (Former Suzuki Motor Poland Ltd.)
Suzuki Motorcycle India Private Ltd.
PT Suzuki Indomobil Motor (Former PT Indomobil Suzuki International)
Pak Suzuki Motor Co., Ltd.
Suzuki Philippines Inc.
Suzuki Motor (Thailand) Co., Ltd.
Suzuki Assemblers Malaysia Sdn. Bhd.
Suzuki Australia Pty. Ltd.
Suzuki New Zealand Ltd.
Suzuki Auto South Africa (Pty) Ltd
Taiwan Suzuki Automobile Corporation

	2011-12				2010-11							
	Joint Ventures	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL	Joint Ventures	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL
Outstanding at year end												
Loans and advances recoverable												
Suzuki PowerTrain India Limited		2,031			2,031	2,031		2,050				2,050
Asahi India Glass Limited		303			303	303						
Others	104	152	45	23	324	644	55	484	82	23		644
TOTAL	104	2,486	45	23	2,658	2,658	55	2,534	82	23		2,694
Amounts payable												
Suzuki Motor Corporation		2,301	9,740		9,740	9,740			10,165			10,165
Suzuki PowerTrain India Limited		2,552		27	3,215	966	240	1,630		9		966
Others	636	4,853	9,740	27	15,256	1,879	240	2,596	10,165	9		13,010
TOTAL	636	4,853	9,740	27	15,256	13,010	240	2,596	10,165	9		13,010
Guarantees given to third parties for the Company												
Suzuki Motor Corporation		1,586			1,586	1,586			2,781			2,781
Others												
TOTAL		1,586			1,586	1,586			2,781			2,781

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

	2011-12					2010-11				
	Joint Ventures	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	Joint Ventures	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel
Finances (Equity & Loans)					TOTAL					TOTAL
Suzuki PowerTrain India Limited		1,623			1,623					-
Others		-			-	137				137
TOTAL	-	1,623	-	-	1,623	137	-	-	-	137
Amount recoverable										
SKH Metals Limited		563			563		268			268
Caparo Maruti Limited		372			372		87			87
Bellsonica Auto Component India Pvt Ltd	987				987	135			524	135
PT Suzuki Indomobil Motor				692	692					524
Suzuki Australia Pty. Ltd.				357	357					-
Others	10	314	22	158	504	48	118	1	384	551
TOTAL	997	1,249	22	1,207	3,475	183	473	1	908	1,565
Goods in Transit - Comp etc.										
Suzuki Motor Corporation			1,963		1,963			2,284		2,284
Others					0					
TOTAL	-	-	1,963	-	1,963	-	-	2,284	-	2,284
Transaction during the year										
Amount recovered during the year										
Inergy India Automotive Comp. Ltd	37				37					
Others					-		62			62
TOTAL	37	-	-	-	37	-	62	-	-	62
Purchases of Capital Items										
Suzuki Motor Corporation			5,715		5,715			2,623		2,623
Others	89	260		5	354	16	553		2	571
TOTAL	89	260	5,715	5	6,069	16	553	2,623	2	3,194
Sale of goods										
Bellsonica Auto Component India Pvt Ltd	1,729				1,729	636				636
Suzuki International Europe G.m.b.H.				1,762	1,762				1,124	1,124
Suzuki GB PLC				1,826	1,826				652	652
PT Indomobil Suzuki International				3,913	3,913				3,028	3,028
Others	177	3,010	82	4,819	8,088	184	2,190	125	6,245	8,744
TOTAL	1,906	3,010	82	12,320	17,318	820	2,190	125	11,049	14,184
Other Income										
Finance income/ commission/Dividend										
Suzuki PowerTrain India Limited		525			525		479			479
Others	32	451			483	49	437			486
TOTAL	32	976	-	-	1,008	49	916	-	-	965

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

	2011-12					2010-11						
	Joint Ventures	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL	Joint Ventures	Associates	Holding Company	Fellow subsidiaries	Key Management Personnel	TOTAL
Other Misc Income												
Suzuki PowerTrain India Limited		1,052				1,052		846				846
Others	188	570	480	9	-	1,247	105	514				619
TOTAL	188	1,622	480	9	-	2,299	105	1,360	-	-	-	1,465
Expenditure												
Purchases of goods												
Suzuki Motor Corporation			21,149			21,149			21,518			21,518
Suzuki Powertrain India Ltd.		41,900				41,900		39,053				39,053
Others	8,919	46,730	-	3	-	55,652	7,970	50,678				58,648
TOTAL	8,919	88,630	21,149	3	-	118,701	7,970	89,731	21,518	-	-	119,219
Proposed Dividend												
Suzuki Motor Corporation			1,175			1,175			1,175			1,175
TOTAL	-	-	1,175	-	-	1,175	-	-	1,175	-	-	1,175
Royalty												
Suzuki Motor Corporation			18,031			18,031			18,925			18,925
TOTAL	-	-	18,031	-	-	18,031	-	-	18,925	-	-	18,925
Services Received												
Suzuki Motor Corporation			1,090			1,090			703			703
Others												
TOTAL	-	-	1,090	-	-	1,090	-	-	703	-	-	703
Other-Expenditure												
Suzuki International Europe Gmbh				49		49				46		46
Suzuki GB PLC				65		65				46		46
Suzuki Italia S.P.A.				23		23				21		21
Others		1		62		63	3		122	79		204
TOTAL	-	1	-	199	-	200	3	-	122	192	-	317
Managerial Remuneration												
Mr. Shinzo Nakanishi					27	27					25	25
Mr. Tsuneo Ohashi					20	20					18	18
Mr. Keiichi Asai					19	19					18	18
Mr. Syuji Oishi					19	19					18	18
TOTAL	-	-	-	-	85	85	-	-	-	-	79	79

* Suzuki Powertrain India Limited is also a Fellow Subsidiary

Notes

TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, unless otherwise stated)

42. The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For **Price Waterhouse**
Firm Registration Number: FRN 301112E
Chartered Accountants

ABHISHEK RARA
Partner
Membership Number - F 77779

Place: New Delhi
Date: 28th April, 2012

SHINZO NAKANISHI
Managing Director & CEO

AJAY SETH
Chief Financial Officer

TSUNEO OHASHI
Director

S. RAVI AIYAR
Chief Legal Officer &
Company Secretary

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