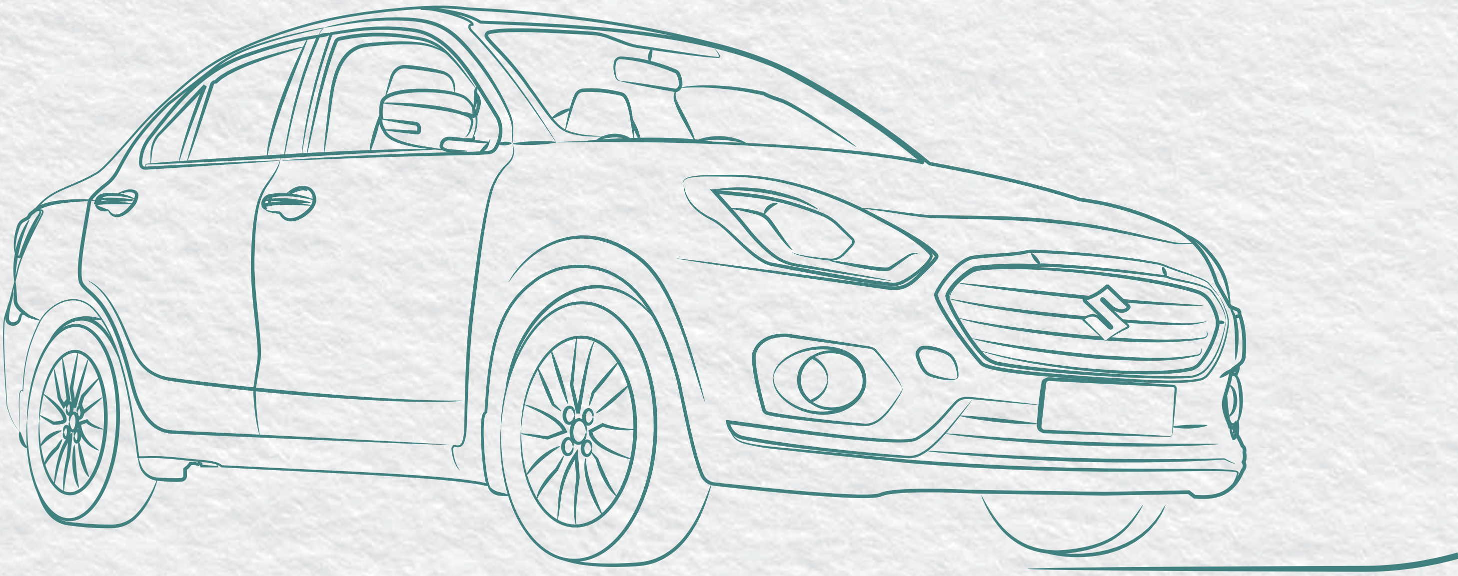
MARUTI SUZUKI

Way of Life!

UNCONSTRAINED

Annual Report | Sustainability Report
2016-17



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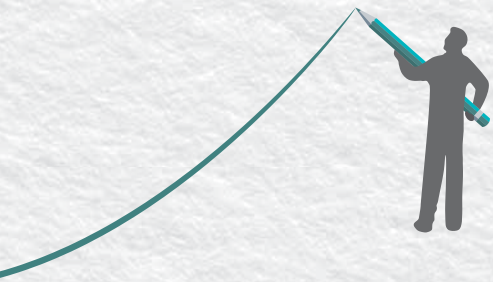


UNCONSTRAINED

At Maruti Suzuki, we believe that all constraints whether external or internal have a brighter side to it. They encourage us to question the status quo, think afresh, work inwards, innovate and help us identify new opportunities and create new pathways of progress.

Ever since inception, we have always tried to understand deeply the diversity of Indian customers, and we choose path (products, technologies and services), which is right for them. The path that we prefer may be non-existent, non-traditional or fraught with challenges in the current scenario; but eventually, it lays the foundation for our future success. Following this principle, we have made our foundation strong enough to emerge unconstrained.

With the business environment getting increasingly dynamic, we may come across at a crossroad to choose or create a new path. Be it in the area of technology or product or customer interface or other business function. We continue to follow our principle of choosing and creating a path, which is right for Indian customers and strive to remain unconstrained in future as well.

Putting India on wheels

When we began our journey, we realised that India needed a small, affordable and fuel-efficient car. Although this was unthinkable at a time when all the enablers of democratising car ownership were non-existent, we had firm conviction that this was the right path for the long term. Despite constraints, we continued our journey on our chosen track.

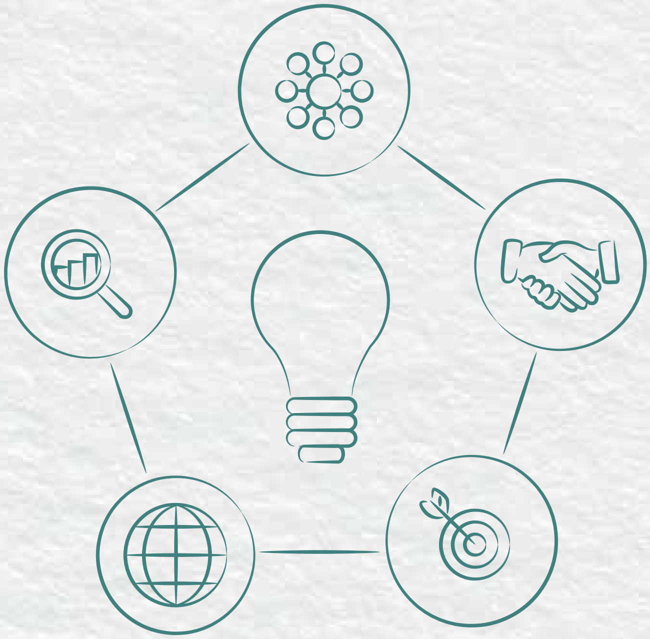
Small car success provided India a great volume. It helped the country move up the ladder in the world ranking of car market from 27th position in 1985 to the 5th largest market in the world in 2015. The country is now poised to emerge as the 3rd largest market as envisaged in the Automotive Mission Plan by the Government.

This has also played a pioneering role in recognising India as a global small car hub. Volume brings in best-in-class technology, higher efficiency and makes investments feasible to develop world-class quality products. It also elevates the country to a commanding position internationally.

Bringing more convenience at lower costs

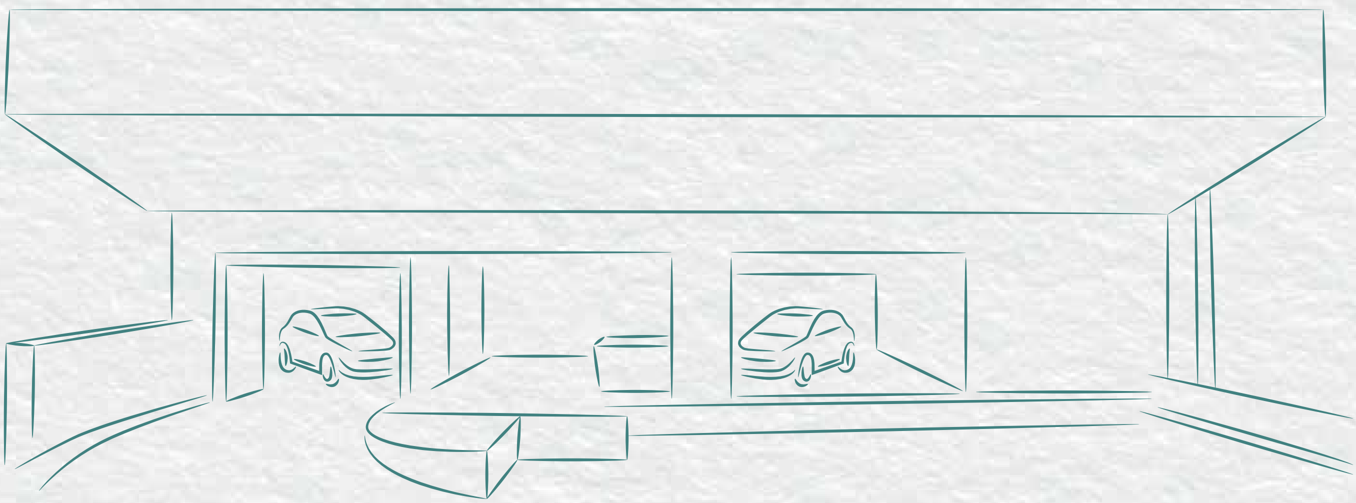
At Maruti Suzuki, we felt that automatic transmission was the need of the hour for India. There were numerous constraints in offering this feature in small and price sensitive cars. Nevertheless, we made all efforts to offer a cost-engineered product to fulfil customer expectations. This path-breaking technology enhanced convenience for Indian consumers. Traditional auto transmissions are not only expensive to own, but have a high running cost as well. AGS technology overcame both these disadvantages.

Map not to scale



Reconfigured business model for more customer focus

On the production side, we sensed that with growing scale, we might not be able to devote enough time required for creating customer delight. As the Indian market is poised to become the world's 3rd largest market, sharper customer orientation would be required. To address this issue, we have identified a way of sharing some business responsibilities with our parent, Suzuki Motor Corporation. It is taking care of our further capacity additions. This arrangement will help us to free up our resources and focus on customer-specific functions like product development, R&D and sales infrastructure.



Services to remain in proximity of customers

We have also sensed that there may be a threat to customer satisfaction in future if the dealerships need to relocate to a remote location due to unaffordable land lease rentals. To obviate this risk, we have chosen the path of securing land by purchasing land parcels for dealerships.

Catering to the aspirations of global Indians

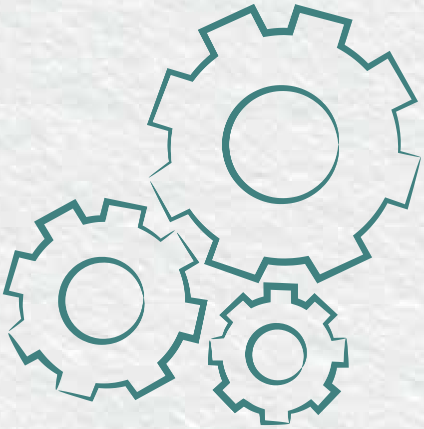
We also decided to address the growing need of Indian consumers for an enhanced buying experience. The result is the introduction of a premium channel – NEXA, which has been well received by our customers. We are also revamping our existing channel to provide our other customers an elevated customer experience.

Following the principle of choosing right paths along the journey, at Maruti Suzuki we have strengthened our foundation to deal with disruptions in the market effectively.

Supported the Government's bold reform

The Government of India rolled out its seminal economic reform (demonetisation) in November 2016. This resulted in a lot of uncertainty in the market and an initial stress on sales. We focused our efforts on understanding customers' need and identify solutions to make them comfortable.

We geared all our business partners and dynamic employees, a part of the strong foundation of the Company to act in unison and deliver what is right for the customer in that situation. The option of cashless transaction was provided at most customer touch points, in a move towards Digital India. This has helped us to travel an extra mile to support a well-intentioned bold reform.



Managed supply disruption with stakeholder support

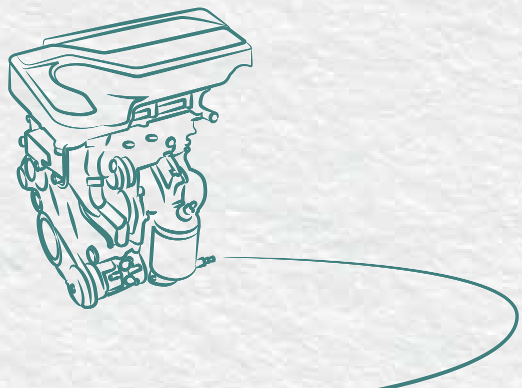
Two of our vendors' supplies were disrupted during the year due to unfortunate fire incidents at their plants. This compounded the challenge of serving the pending customer orders for several models. To successfully mitigate any adverse impact, we braced ourselves for an agile response. Key personnel were deployed to support the affected vendors, cross-functional teams were formed to coordinate, monitor and communicate the ground reality to the concerned stakeholders.

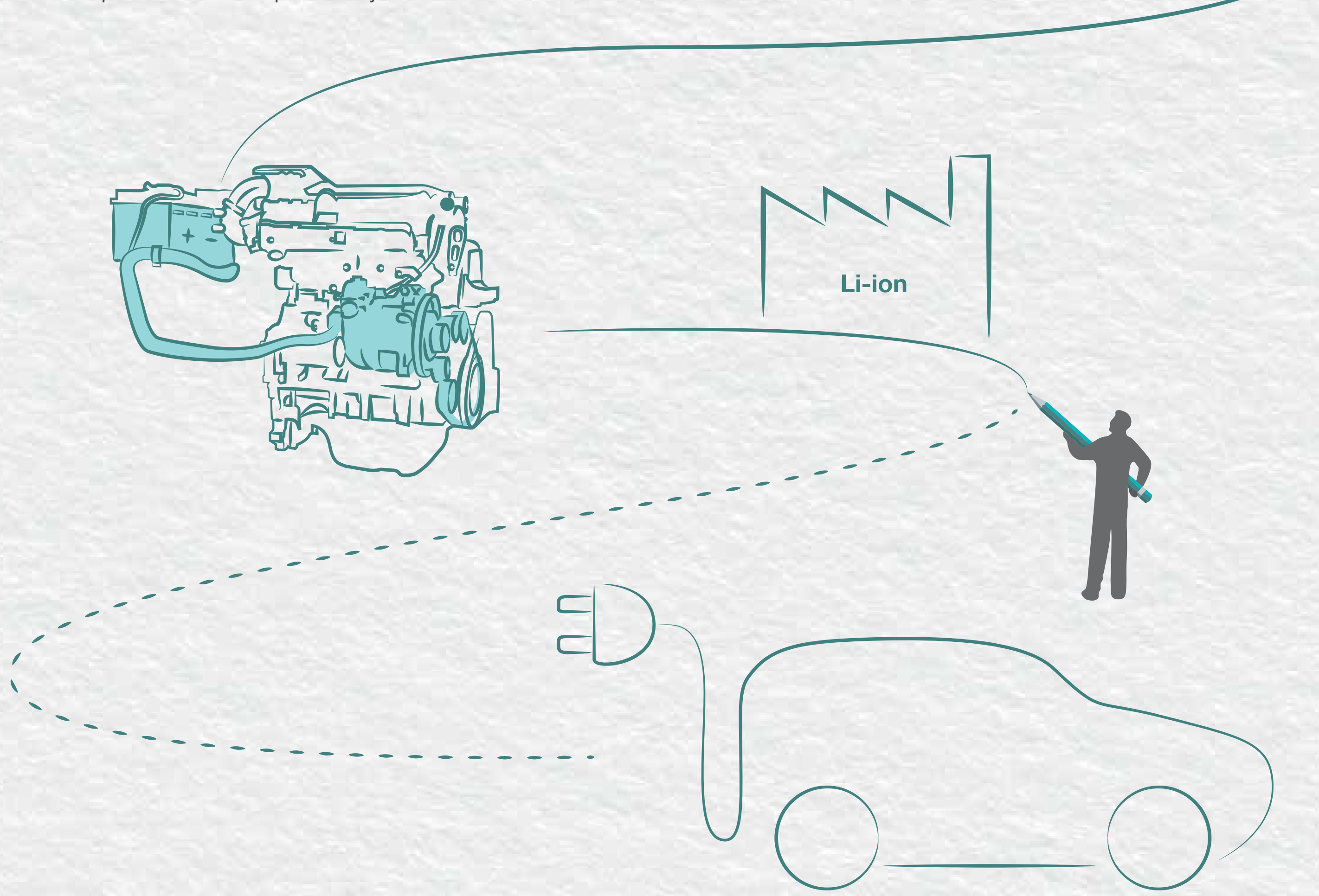
The bi-annual maintenance schedule was preponed and production plans were suitably altered to match demand. This resulted in higher capacity utilisation. While the effective crisis management, with full-fledged support from all relevant stakeholders, helped avoid any untoward scenario, the events helped us gain key learnings. Duly imbibed across the organisation, these learnings will enhance our future preparedness.

Committed to the next technology challenge

Government has come up with plan to rapidly promote the use of Electric Vehicles (EVs) in India. We also believe that electrification is the way forward for India and appreciate the Government's policy efforts as it's a major step towards enhancing energy security of the country and making environment cleaner. We will not hesitate in introducing EVs as soon as we understand that the Indian customers are ready to buy them. Meanwhile, we will continue our efforts in enhancing fuel efficiency. Hybrid technology is helping in significantly improving fuel efficiency. Our endeavour is to promote such vehicles, as a step towards electric mobility.

As a starting point for developing an ecosystem for electric mobility, Suzuki Motor Corporation, along with Toshiba and Denso is setting up a Li-ion battery plant in India. This would help reduce cost and promote hybrids and EVs.

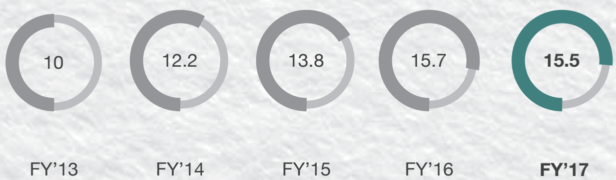




Key Figures

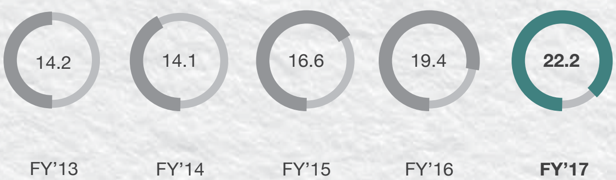
Key Ratios (%)

EBITDA



PAT Margin

ROE



ROCE

5-year Performance Summary (₹ mn)

Particulars	FY' 13	FY' 14	FY' 15	FY' 16	FY'17	FY' 17/16 (% Change)
Net Sales	426,126	426,448	486,055	564,412	669,094	19
EBITDA	42,768	51,871	67,129	88,844	103,530	17
PBT	29,910	36,585	48,682	74,437	99,413	34
PAT	23,921	27,830	37,112	53,643	73,377	37
EPS (₹)	79	92	123	178	243	37
Net Worth	185,789	209,780	237,042	298,842	361,711	21
Current Liabilities	68,280	81,381	88,213	110,392	132,313	20
Total Liabilities	81,091	96,217	98,451	120,558	148,222	23
Non-current Assets	157,882	164,083	253,531	340,940	423,834	24
Current Assets	109,248	141,914	81,962	78,460	86,099	10
Total Assets	266,880	305,997	335,493	419,400	509,933	22
Operating Cash Flow	43,011	49,036	63,207	84,845	102,847	21
Free Cash Flow	5,693	14,109	31,720	58,518	69,124	18

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

Graphs not to scale

Highlights 2016-17

Delivering across all Parameters

#1

in J.D. Power Customer Satisfaction Index study for the 17th year in a row

47.4%

Market Share in Passenger Vehicles (Increase of 0.6% points)

15.5%

EBITDA Margin

95.1%

Energy from Cleaner Sources | Natural Gas Solar

Quarterly Highlights

QUARTER 01

2,000 km

Scorched by 200 motorsport enthusiasts as **Maruti Suzuki flags off 14th Desert Storm Rally**

5,000,000

units...and counting

Swift remains the preferred car globally

Refreshingly Relevant

India's beloved Alto is now **aero designed** with a formidable fan following

From India to the World

Maruti Suzuki begins export of its first **LCV Super Carry**

QUARTER 02

India's first smart hybrid car Ciaz

becomes the largest selling sedan in the A3+ segment; **sales crosses one lakh units**

3 Million

Enrolment for driving training to fleet and truck drivers and Road Safety Knowledge Centres crosses a historic landmark

1,500,000+

cars exported globally (Sri Lanka, Chile, Philippines, Peru and Bolivia emerged as top markets)

National launch of LCV Super Carry

Strong body. Turbocharged diesel engine. High fuel efficiency

QUARTER 03

Baleno sets hearts afire 100,000 cars sold

Innovative styling, spacious interiors, class-leading features, safety and fuel efficiency steal the show

Forbes India Leadership Awards (FILA 2016)

bestowed the 'Best CEO – Multinational Company' award on **Kenichi Ayukawa, MD & CEO**, for adaptability to change, vision for India, strategic approach and innovative thinking

Vitara Brezza

becomes **Indian Car of the Year 2017.** Emerges as **India's top 10 selling models (83,000+ cars sold)**. Class-leading features. Future-ready safety. Outstanding fuel efficiency

CII-ITC Sustainability Award

recognises Maruti Suzuki's contribution to **road safety, youth skilling and employability**, along with integrated approach to water, sanitation and rural education

QUARTER 04

Start of Production from SMG, Gujarat

Hall of Fame Award

was conferred upon **R. C. Bhargava, Chairman**, at the **CNBC-TV18 India Business Leader Awards**

#IGNIS

India gets its first premium urban compact vehicle for millennials

200th Showroom Inaugurated

India's fastest growing auto retail channel **NEXA** sold **185,000+ vehicles** since inception

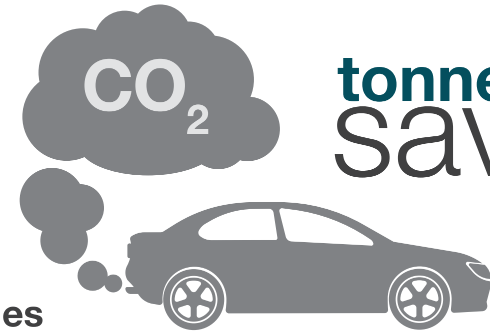
Baleno RS

combines power and design to usher in a new performance segment

Sustainability Highlights

Product Safety & Emissions

696,756 tonnes saved



since 2006 due to alternative
clean & fuel-efficient technologies

20% weighted average

CO_2 IMPROVEMENT

since 2005 for entire fleet

Total Effective Control Technology
increasing fuel efficiency & passenger safety

TECT Based Platforms in New Models

Baleno RS & Ignis

Green Procurement

87% LOCAL TIER-I SUPPLIERS

located within **100 km**
radius of operating facilities

100% SUPPLIERS

HAVE SIGNED
Green Procurement Guidelines
meeting European Union's End-of-Life Vehicle Standards for auto parts and components

Resource Efficiency

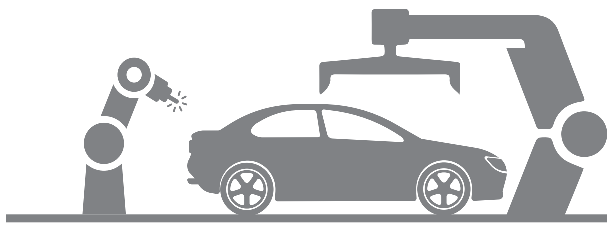
Zero Groundwater extraction at **Gurugram plant**

Initiative to protect scarce groundwater resources

200 litres water saved per vehicle manufactured

MANUFACTURING water demand cut by

81,032 m^3



0.12 J energy saved per vehicle manufactured

95% ENERGY FOR manufacturing sourced from

Natural Gas

Solar

86% Supplier Plants

ISO 14001 certified; adopting **ENVIRONMENTALLY-CONSCIOUS PRACTICES** in supply chain

Social Development

CSR in three thematic areas

- Community Development
- Skill Enhancement
- Road Safety

403
Maruti Driving Schools

6
Institutes of Driving Training & Research
promoting quality driving training in India

141
Industrial Training Institutes
supported across India

providing quality
vocational training in automobile and other trades

SETTING UP FIRST
Japan-India Institute for Manufacturing
IN GUJARAT

Initiative under aegis of inter-governmental agreement to create

skilled manpower for manufacturing in
India

24
villages
around facilities adopted for community development

IN AREAS OF

- Education
- Water, Sanitation
- Infrastructure

Conducive Work Environment

100%

OF REGULAR WORKFORCE

represented by recognised trade unions

Regular management-worker interactions

State-of-the-art
Maruti Suzuki Training Academy

Skill development centre for employees of company and business partners

Governance

Well-institutionalised
Risk Management System

and
Whistle Blower & Internal Complaints resolution mechanisms

ROBUST
Corporate Governance System

compliant with legal requirements

Board of Directors

with diversified skill sets adding value to decision-making for sustained growth

Product Portfolio

NEXA

Baleno

Ciaz

Dzire

Vitara Brezza

WagonR

Alto 800

Omni

Eeco

S-Cross

Ignis

Ertiga

Swift

Alto K10

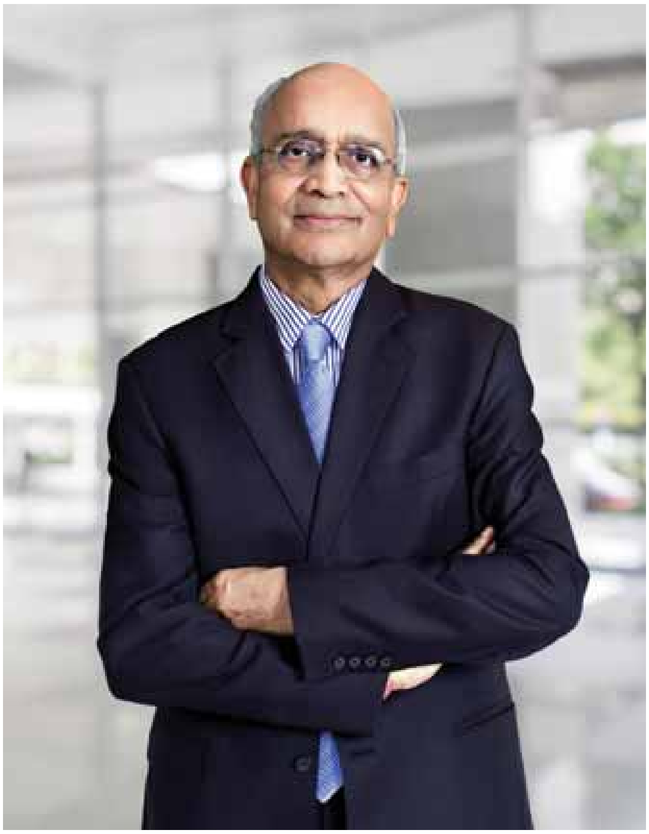
Celerio

Gypsy

Super Carry*

*Super Carry is sold through Commercial Channel

Message from the Chairman



It gives me great pleasure to reach you through this Annual Report. I look forward to these opportunities as important milestones in our joint journey to create a world-class company.

We suffered a grievous loss when Mr. Amal Ganguli passed away in May this year. He had joined our Board in July 2003 and was the Audit Committee Chairman since then. His depth of knowledge, wisdom and commitment to the Company was a source of huge strength to the entire Board and we will miss him greatly. Mr. Brar has replaced him as Chairman of the Audit Committee.

I would also like to introduce Mrs. Renu Sud Karnad who has joined our Board and comes up for election. She is the Managing Director of HDFC, one of the leading Indian companies. Her wealth of experience and knowledge would be of immense benefit to the Company.

The last year saw some new and difficult challenges, and also created new opportunities for us. The Company continued to gain the trust of our valued customers and this was reflected in the performance data that you have before you. Our net profits increased by 37%. This, along with the fact that Suzuki Japan is financing new capacity expansion in Gujarat, enabled your Company to increase the dividend from ₹ 35 per share to ₹ 75 per share.

2017 is in many ways an important year for your Company. The implementation of the GST started from the 1st of July and I expect it to be a game changer for Indian industry and the economy. Over the past decades, the Indian economy had increasingly become inconsistent with a modern industrial and competitive country. The various reforms and initiatives taken by the Government in the last three years are driving the country towards becoming an attractive place to establish manufacturing activities, and do business. As 'invisible money' disappears, transparency and objectivity in decision-making will increase. Your Company has always been a strong adherent of complying strictly with all laws and rules, and ethical conduct has been our watchword. We welcome what is happening as it is good for India, and for your Company.

This year also marks 35 years of the entry of Suzuki Japan into car manufacturing in India, and Maruti becoming a joint venture. The various agreements between the Government of India, and Suzuki Japan were signed in October 1982. In this comparatively short time, the Indian car and component industry has been transformed in a manner that was never imagined by anyone at that time. Your Company, with the support of Suzuki and the Government, and all employees and associates, has introduced several new concepts and practices into manufacturing industry, that resulted in global automobile manufacturers being attracted to India. Our experiences now provide learnings for new Japanese investments in India.

This journey has not been smooth or easy. The initial decade was a period when serious shortages of foreign currency made imports extremely hard, and created numerous problems. The shortages of all commodities, the license restrictions, the reservation policy for small industries, infrastructure limitations, the absence of technology in the component sector, and the initial disbelief in the future of Maruti, were all obstacles that had to be overcome. The employees of your Company, with unflinching determination and resolve overcame all challenges, and this spirit, even today, enables them to meet whatever difficulty comes in the way. They are the real heroes.

The next challenge came when, despite the success and performance of the Company, the Government appeared to lose trust in Suzuki Japan. The various events during 1995 to 1997 saw the Company being unable to make requisite investments, bring in new technology and make progress. Arbitration proceedings started between the Government and Suzuki Japan. Fortunately, in 1998 an out of court settlement was reached, and the Company quickly revived. The effects of a politically motivated strike were overcome. In 2003 the Company was listed, though the issue price of ₹ 125 was considered high by many knowledgeable investors. The financial crisis of 2008 was met without any severe repercussions.

The oil crisis and the Government's policy regarding diesel and petrol caused the next crisis in our operations. The sale of petrol cars dropped drastically. We did not have adequate diesel engine technology, or capacity to manufacture diesel engines. Our marketing division found numerous innovative ways to increase sales. New segments for sale of petrol cars were identified. A special effort was made to develop sales in the smaller towns and villages. Rural sales grew rapidly, and today 33% of all sales come from these areas. The challenge of adversity resulted in productive innovation.

The events at the Manesar plant during 2012 were totally unexpected, and really had no justification. It was a huge challenge to restore normalcy and confidence in all. The Managing Director and his team took the initiative in doing this. Numerous changes were made, and the system of communication with the workers was re-visited and strengthened. I am happy to say that the results speak for the determination of our employees to not let such a happening demotivate them in any manner.

Demonetisation was seen by many as a challenge that would disrupt the economy for some time. Our employees saw it as another challenge that could be an opportunity. In December 2016 retail sales were at an all-time record. The introduction of GST was anticipated, prepared for and transition to it has been smooth.

Our engineers have demonstrated their skills and capabilities in various ways. All regulatory requirement have always been met without any fuss. The Brezza demonstrates their design and engineering skills.

I believe this 'Yaruki' spirit will enable your Company to reach its goal of selling 2 million cars by 2020, and then to go forward to the next milestones of even higher sales. Suzuki Gujarat is taking responsibility to increase production. We have to simultaneously expand the sales, service and spare part outlets, to ensure that customers can enjoy constantly improving levels of service. The acquisition of land for establishing such outlets is progressing well and this year 400-500 sites will be bought for leasing to potential dealers. The success of the NEXA channel has not only created a new class of customers for us, but has also enhanced the image of Maruti. The lessons from NEXA will now be used to upgrade the other channels.

New technologies are going to be enormously important in the years ahead. Failure to keep up to technological change can have severe consequences for any Company. In India, we have to deal with issues of energy security, environmental protection and safety. The aspirations of the young, technologically savvy customers have to be met. Fortunately, our parent is fully aware of these needs. You are aware of the agreement between Suzuki Japan and Toyota Japan to create a partnership to deal with all these issues. Toyota is the global leader in the number of patents held for hybrid and EV technology. I believe that this agreement, which may reach finalisation in a short time, will be of enormous benefit for the future of your Company.

The Government has announced its programme to rapidly promote the use of EVs in India. It is a very laudable policy, since it would greatly enhance our energy security, and over time lead to a cleaner environment. Your Company would not hold back in introducing EVs as soon as we determine that the customers are ready to buy them. Meanwhile, efforts must continue to be made to enhance fuel efficiency. Hybrid technology is already resulting in significant improvements in fuel efficiency and is acceptable to customers. We will continue to promote such vehicles, as a step towards electric mobility. A Lithium-ion battery pack plant is also being established by Suzuki, in a JV with Toshiba and Denso. This will help to reduce costs and promote hybrids and EVs.

To conclude I believe the future is becoming brighter all the time. Your Company will make its best efforts to maintain its leadership role, and participate in nation building by creating wealth and a large number of jobs. I look forward to your support, as always, in this task.

Thank you and Jai Hind.

RCBhargava

R. C. Bhargava
Chairman

Message from the Managing Director & CEO

Dear Shareholders,

I am happy to share my thoughts with you on the year gone by and our outlook for the future.

The recent introduction of GST by the Government stands out as one of the biggest reforms in the country and will likely benefit the economy immensely. Reforms like demonetisation and GST show the unrelenting commitment of the Indian government to strengthen the foundations of the economy. Such efforts further reinforce our commitment to the Indian market.

There are other positive signs. A likely good monsoon, lower interest rates, lower fuel prices and controlled inflation augur well for economic growth in the near future. Political stability is another confidence booster. The Government's strong focus on infrastructure will be a major contributor to the economic growth in the long run.

For the Company, 2016-17 was a dynamic and eventful year. We had our share of challenges in the form of short term disruptions in operations caused by fires at two of our key suppliers. Also, there was some initial uncertainty after the demonetisation event. Despite these unanticipated events, our market share inched up and we were able to welcome more and more customers to our family.

One of the important lessons we learnt last year was that the business environment is becoming more and more uncertain, and that the organisation has to be strengthened further to deal effectively with such unanticipated disruptions.

On fire safety, for example, our assumption had been that we had adequate systems in place and while we needed to always be vigilant, it was largely under control. Following the fire at two of our suppliers, we have undertaken an evaluation of most of our suppliers on fire prevention and control. The gaps identified are being addressed quickly. Our approach is to do all it takes to prevent a recurrence of such events in our supply chain.

Fast changing regulations have also created a dynamic business environment. The auto industry is a policy sensitive one, and a change in regulation can have far reaching impact on our growth or direction of technology and manufacturing. We are working with the government in thinking of policies that can make our cars safer, cleaner and more beneficial to the consumer in the Indian context.

Policy stability and predictability are important to nurture the industry ecosystem. It helps industry gain efficiencies and get clarity on which targets and technologies to work on.

The response to our efforts in hybridisation has been very encouraging. In response to the government's National Electric Mobility Mission Plan, we introduced two mild hybrid models and committed investments to this technology. Support of our parent also came in the form of them establishing a Li-ion battery plant in collaboration with Denso and Toshiba Corporation of Japan. We expect to drive the growth of hybrid technology in India which, while being environment friendly, is also likely to be the preferred choice of customers.

At the core of our strategy is the desire to meet customer expectations and delight them with exciting products, features and technology relevant to market conditions. During the year, there was continued progress on product development. The Company was able to launch 3 new vehicles, all in new segments, pioneering new technologies and a disciplined focus on cost efficiency.

Launch of Ignis marked the Company's entry into a new segment of feature rich "Premium Urban Compact", created for millennials.

Boosterjet engine was an important introduction in our engine family. By mounting it on the popular premium compact model Baleno, we expanded the brand to reach out to a new segment of customers: performance enthusiasts in India. Super Carry marked our entry into light commercial vehicle segment.

In hindsight, the decision to develop a state-of-the-art R&D centre in India, taken in 2009, has proved to be a pivotal step in augmenting the Company's capability in vehicle design and development. It will help us meet the specific needs of Indian customers. The Rohtak centre is now an integrated facility with 33 different test tracks, requisite testing and safety labs, which helps the Company conceptualise, design and develop new products and upgrade the existing portfolio at a faster pace. Vitara Brezza, developed by Indian engineers with support from SMC received well over 25 awards along with the prestigious ICOTY title. We are looking to such success in the future as well.

The R&D centre is also helping us test and validate products to meet newer regulations. While India will move to new safety and emission regulations over the next two to three years, I am happy to share that six of our models are already certified and approved for advanced vehicle safety regulations, ahead of the deadline.

With regard to production, the situation became challenging due to limited capacity on the one hand and the popularity of certain models on the other. To meet unserved demand, the Company needed to manufacture beyond planned capacity. Through various innovations at the shop-floor and strong team work, the Company could achieve a production volume beyond the combined production capacity of Gurugram and Manesar plants.

Some respite came in the last quarter when Suzuki Motor Gujarat (SMG) started operations in Hansalpur in February '17. To start with, Baleno is being produced for sales through NEXA channel. The product lineup is likely to be expanded, depending on the market situation. Work for a second assembly plant in Hansalpur has already started. Incrementally, SMG had also committed investment for an engine and transmission line in Hansalpur.

While SMG is adding production capacity, we realise that this incremental capacity needs to be matched with an equally strong network for sales and service. We would require at least 3,500 sales outlets and around 5,000 workshops in the next few years. To aid dealers in the process, the Company has initiated strategic investments in land parcels across the country. Along with the expansion, the quality of network is also being upgraded through better infrastructure and a superior customer experience.

The pre-owned car market is largely unorganised and it presents a vast opportunity to serve millions of Indians who do not own a car currently. The revamped True Value network will also continue to expand and help us attract these customers through transparency, warmth and a high quality of service.

It is my firm belief that growth will happen only by enhancing quality in all areas of business. Our achievement in serving some of the most quality conscious markets in the world is a testimony to our ability to design and manufacture quality products. Quality is in fact central to all areas of our business, with 'zero defect' as the ultimate aim.

In recent years, our efforts to connect closely with society through interventions in skill development, safe driving and community development have yielded positive results. In particular, I am happy to share that under Skill India Vision, the Company embarked on setting up the first Japan-India Institute for Manufacturing (JIM) at Mehsana, Gujarat. The JIM will impart training in some of the best shop floor practices, such as Kaizen and Quality Circles, based on curricula developed in Japan. I hope going forward, this institute will play a pioneering role in skill upgradation so India's youth can keep pace with technology changes and be gainfully employed by the automobile industry.

The Company has always been sensitive to the interests of shareholders. While the Company's shares have seen a sizeable appreciation over the short and the long term, we have also, from time to time, revised our dividend payouts in line with our plans for future. This year, we reviewed our dividend guidelines, and raised the upper limit for the payout from 30% to 40% of Net Profit. We have also recommended a dividend of ₹ 75 per share for the year.

Reflecting on the Company's overall performance, I believe that our sustained success is because we refuse to rest on our laurels, regularly take up new challenges, are willing to transform and create something new and innovative for the customer. This is a work-in-progress. My effort will be to ensure that with the help of all our stakeholders, we remain on the path of sustainable growth and progress.

Kenichi Ayukawa
Managing Director & CEO

Board of Directors

As on 27th July, 2017

Mr. R. C. Bhargava
Chairman

S C N R

Mr. O. Suzuki
Director

Mr. T. Suzuki
Director

N

Mr. K. Ayukawa
Managing Director & CEO

A S C R

Mr. T. Hasuike
Director

Mr. S. Torii
Director (Production)

R

Board Committees

A Audit

S Stakeholders Relationship

C CSR

N Nomination & Remuneration

R Risk Management

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

*Additional Members

Executive Officer (Legal) & Company Secretary

Mr. S. Ravi Aiyar

Auditors

Deloitte Haskins & Sells LLP

Mr. D. S. Brar
Independent Director

A S N

Mr. R. P. Singh
Independent Director

A C

Mr. K. Saito
Director

Ms. R. S. Karnad
Independent Director

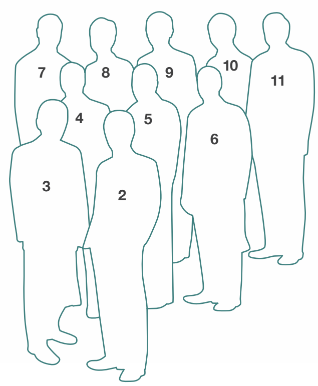
A N

Ms. P. Shroff
Independent Director

A

Mr. K. Ayabe
Director

Executive Management Team



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1. **Mr. K. Ayukawa**, Managing Director & CEO
2. **Mr. S. Torii,** Director (Production)
3. **Mr. R. Gandhi,** Sr. Executive Director (Production)
4. **Mr. A. K. Tomer,** Executive Director (Corporate Planning)
5. **Mr. S. Y. Siddiqui**, Chief Mentor
6. **Mr. K. Yamaguchi**, Executive Director (Production)
7. **Mr. A. Seth**, Sr. Executive Director (Finance)
8. **Mr. M. Nishio**, Executive Director (Finance)
9. **Mr. M. Suzuki**, Executive Director (Engineering)
10. **Mr. Y. Suzuki**, Executive Director (QA)
11. **Mr. C. V. Raman**, Sr. Executive Director (Engineering)

12. Mr. T. Hashimoto, Executive Director (Marketing and Sales)
13. Mr. R. S. Kalsi, Sr. Executive Director (Marketing and Sales)
14. Mr. S. Ravi Aiyar, Executive Director (Legal)
15. Mr. C. S. Raju, Executive Director (HR)
16. Mr. S. Kakkar, Executive Vice President (Supply Chain)
17. Mr. S. Srivastava, Executive Director (International Marketing)
18. Mr. Y. Ozawa, Executive Director (HR)
19. Mr. P. Bannerjee, Executive Vice President (Service)
20. Mr. D. K. Sethi, Executive Director (QA)
21. Mr. R. Uppal, Executive Director (IT)
22. Mr. K. Suzuki, Executive Director (International Marketing)

Statutory Reports

Contents

Board's Report

Your Directors have pleasure in presenting the 36th annual report together with the audited financial statements for the year ended 31st March, 2017.

Financial Results

The Company's financial performance during the year 2016-17 as compared to the previous year 2015-16 is summarized below:

(₹ in million)

	2016-17	2015-16
Total revenue	795,460	665,156
Profit before tax	99,413	74,437
Tax expense	26,036	20,794
Profit after tax	73,377	53,643
Retained Earnings		
Balance at the beginning of the year	250,037	210,116
Profit for the year	73,377	53,643
Other comprehensive income arising from remeasurement of defined benefit obligation*	(100)	(61)
Amount transferred to general reserves	-	(4,571)
Payment of dividend on equity shares	(10,573)	(7,552)
Corporate dividend tax paid	(2,152)	(1,538)
Balance at the end of the year	**310,589**	**250,037**

*net of income tax of ₹ 58 million (previous year ₹ 38 million)

Financial Highlights

The total revenue (net of excise) was ₹ 703,146 million as against ₹ 589,991 million in the previous year showing an increase of 19 percent. Sale of vehicles in the domestic market was 1,444,541 units as compared to 1,305,351 units in the previous year showing an increase of 11 percent. Total number of vehicles exported was 124,062 units as compared to 123,897 units in the previous year showing an increase of 0.1 percent.

Profit before tax (PBT) was ₹ 99,413 million against ₹ 74,437 million showing an increase of 34 percent and profit after tax (PAT) stood at ₹ 73,377 million against ₹ 53,643 million in the previous year showing an increase of 37 percent.

Dividend

The board recommends a dividend of ₹ 75 per equity share of ₹ 5 each for the year ended 31st March, 2017 amounting to ₹ 27,268 million including dividend distribution tax of ₹ 4,612 million. The Company has formulated a dividend distribution policy which forms part of the annual report.

Operational Highlights

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

Consolidated Financial Statements

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

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

Extract of Annual Return

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

Material Subsidiaries

In accordance with Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has a policy for determining material subsidiaries. The policy is available on the website of the Company at http://www.marutisuzuki.com/policy-on-subsidiary-companies.aspx.

Particulars of Loans, Guarantees and Investments

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

Board Meetings

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

Audit Committee

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

Independent Directors

The Company has received declarations of independence in accordance with the provisions of Section 149 of the Act from all the independent directors. The details of the familiarisation programmes for the independent directors are available on the website of the Company at http://www.marutisuzuki.com/familiarization-programmes.aspx.

Directors' Responsibility Statement

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

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

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

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

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

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

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

Directors and Key Managerial Personnel (KMP)

Mr. Toshiaki Hasuike ceased to be a Whole-time director with effect from close of business hours of 19th November, 2016. He continues as a non-executive director of the Company.

Risk Management

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

Internal Financial Controls

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

Vigil Mechanism

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

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

Related Party Transactions

The Company has a policy on related party transactions which is available on the Company's website at http://www.marutisuzuki.com/policy-on-related-party-transactions.aspx. In terms of Section 134(3) (h) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, there are no transactions to be reported in Form AOC - 2.

Performance Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its committees. The evaluation criteria, inter-alia, covered various aspects of the board's functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the board and effective decision making. The board and its committees had been highly effective in achieving their respective charters and their meetings were well run and the members acted with sufficient diligence and care.

The performance of individual directors was evaluated on parameters such as level of engagement and contribution to the affairs of the Company including by way of attendance in board/committee meetings, level of independence of judgement, care undertaken in safeguarding the interest of the Company and its minority shareholders. All the directors were diligent, meticulous and faithful in the performance of their duties and the Directors expressed their satisfaction with the evaluation process.

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

Nomination and Remuneration Policy

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

Corporate Social Responsibility (CSR)

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the period under review, two complaints were received by the ICC out of which one complaint was investigated and closed. The second complaint was received in March, 2017 and is under investigation.

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

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

Corporate Governance

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

Secretarial Audit Report

In accordance with the provisions of Section 204 of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board appointed M/s RMG & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit for 2016-17. The report on secretarial audit is attached as **Annexure - E**. The report does not contain any qualification.

Personnel

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

Cost Auditors

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, M/s R.J. Goel & Co., Cost Accountants, New Delhi (Registration No. 000026) were appointed as the Cost Auditors of the Company to carry out the cost audit for 2017-18.

Auditors

The auditors, M/s Deloitte Haskins & Sells LLP were appointed in the 35th Annual General Meeting and hold their office till the conclusion of the 40th Annual General Meeting. As per the provisions of Section 139 of the Act, their appointment shall be placed in the forthcoming Annual General Meeting for ratification.

Crisil Ratings

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

Quality

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

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

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

Awards/Recognition/Rankings

Mr. R. C. Bhargava was conferred with prestigious Hall of Fame Award at CNBC TV18's India Business Leadership Awards. Outlook India Magazine honoured Mr. R. C. Bhargava as one of the 50 greatest CEOs ever. He was featured in the 'Brilliant' Category.

Mr. Kenichi Ayukawa was awarded with the best CEO-Multinational Company at the prestigious Forbes India Leadership Awards 2016. He was conferred with Automotive Man of the Year by NDTV Car and Bike Awards and also shortlisted best CEO (Large Companies) by Business Today.

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

- Golden Peacock Training Award 2016.
- Dun & Bradstreet Corporate awards in the automobiles category.
- Golden Peacock Award for Occupational Health and Safety 2016 in the automobile category.
- J.D. Power Customer Satisfaction Index for the 17th time.
- 'Handa Golden Key Trophy' as first prize by Indian Value Engineering Society (INVEST) for excellence in demonstrating value engineering as an organized corporate activity for the financial year 2015-16.
- 'Corporate Excellence–Commendation of Significant Achievement' Certificate at the prestigious CII-ITC Sustainability Award 2016 for its CSR initiatives.
- 'Vitara Brezza' got following three awards at the 17th CNBC TV18 overdrive awards:
    - Overdrive Car of the year
    - Compact SUV of the year
    - Viewers' Choice Car of the year
- Baleno's next-generation lightweight platform received award for Safety Technology of the year by Indian Automotive Technology and Innovative Awards (IATIA).
- Vitara Brezza bagged ICOTY (Indian Car of the Year) 2017 award.
- Vitara Brezza won three awards – Viewers' Choice Car of the year 2017, Car of the year 2017 and Compact SUV/ Crossover of the year by Autocar India Awards.
- Vitara Brezza won three prestigious awards at the BTVi's 'The Auto Show - Car India & Bike India Awards 2017'.
- Vitara Brezza also received the Domestic Car of the Year award by T3 & Smart Photography - Innovation Technology & Imaging Awards 2017.
- The Company was chosen 'Star MNC' at Business Standard Annual Awards 2016.
- Gold Exceed Award 2017 recognizes excellence in Occupational Health and Safety in the automobile sector. The Company was honoured for achieving high standards of safety, health and environment at workplace.
- Vitara Brezza was declared the 'Car of the year' & 'Compact SUV of the year' at the 9th Times Auto Awards.
- BML Munjal Award 2016 in the category of private sector (manufacturing).

Acknowledgment

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

For and on behalf of the board of directors

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

New Delhi
27th April, 2017

Annexure - A

Form No. MGT - 9

Extract of Annual Return

As on the financial year ended on 31st March, 2017 [Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other Details:

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

II. Principal Business Activities of the Company:

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

Sl. No.	Name and description of the main products/ services	NIC code of the product/ service	% to total turnover of the company
1.	Manufacture of passenger cars	29101	90.11%

III. Particulars of Holding, Subsidiary and Associate Companies:

Sl. No.	Name of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Suzuki Motor Corporation	N.A.	Holding	56.21%	2(46)
2.	Maruti Insurance Agency Services Limited	U74999DL2006PLC151108	Subsidiary	100.00%	2(87)
3.	Maruti Insurance Agency Logistics Limited	U66000DL2007PLC169581	Subsidiary	100.00%	2(87)
4.	Maruti Insurance Distribution Services Limited	U74999DL2002PLC113812	Subsidiary	100.00%	2(87)
5.	Maruti Insurance Agency Network Limited	U67200DL2004PLC126710	Subsidiary	100.00%	2(87)
6.	Maruti Insurance Agency Solutions Limited	U67200DL2004PLC126711	Subsidiary	100.00%	2(87)
7.	Maruti Insurance Business Agency Limited	U74999DL2002PLC113813	Subsidiary	100.00%	2(87)
8.	Maruti Insurance Broker Limited	U74140DL2010PLC201708	Subsidiary	100.00%	2(87)
9.	True Value Solutions Limited	U74999DL2002PLC113814	Subsidiary	100.00%	2(87)
10.	J.J Impex (Delhi) Private Limited	U74140DL1976PTC008245	Subsidiary	50.87%	2(87)
11.	Bharat Seats Limited	L34300DL1986PLC023540	Associate	14.81%	2(6)
12.	Caparo Maruti Limited	U74899DL1994PLC058269	Associate	25.00%	2(6)
13.	Hanon Climate Systems India Private Limited (Formerly Halla Visteon Climate Systems India Limited)	U34300DL1991PTC046656	Associate	39.00%	2(6)
14.	Jay Bharat Maruti Limited	L29130DL1987PLC027342	Associate	29.28%	2(6)
15.	Krishna Maruti Limited	U34300HR1991PLC032012	Associate	15.80%	2(6)
16.	Machino Plastics Limited	L25209HR2003PLC035034	Associate	15.35%	2(6)

Sl. No.	Name of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
17.	SKH Metals Limited	U74130HR1986PLC023655	Associate	37.03%	2(6)
18.	Nippon Thermostat (India) Limited	U29309TN1994PLC027555	Associate	10.00%	2(6)
19.	Bellsonica Auto Component India Private Limited	U35923HR2006FTC036301	Associate	30.00%	2(6)
20.	Mark Exhaust Systems Limited	U32204DL1993PLC055905	Associate	44.37%	2(6)
21.	FMI Automotive Components Private Limited	U34201DL2007PTC170043	Associate	49.00%	2(6)
22.	Maruti Insurance Broking Private Limited	U74999DL2010PTC210739	Associate	46.26%	2(6)
23.	Manesar Steel Processing India Private Limited	U27205HR2010PTC041264	Associate	11.83%	2(6)
24.	Magneti Marelli Powertrain India Private Limited	U40300HR2007PTC046166	Joint Venture	19.00%	2(6)
25.	Plastic Omnium Auto Inergy Manufacturing India Private Limited (Formerly Inergy Automotive Systems Manufacturing India Private Limited)	U35914HR2010PTC040501	Joint Venture	26.00%	2(6)

IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

i) Category-wise shareholding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total share	Demat	Physical	Total	% of total share	
A. Promoters									
1. Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1):	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
2. Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	169,788,440	0	169,788,440	56.21	169,788,440	0	169,788,440	56.21	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (Qualified Foreign Investor)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2):	**169,788,440**	**0**	**169,788,440**	**56.21**	**169,788,440**	**0**	**169,788,440**	**56.21**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**169,788,440**	**0**	**169,788,440**	**56.21**	**169,788,440**	**0**	**169,788,440**	**56.21**	**0.00**
B. Public Shareholding									
1) Institutions									
a) Mutual Funds/UTI	18,324,245	0	18,324,245	6.07	19,599,740	0	19,599,740	6.49	0.42
b) Banks/ FI	21,363,220	0	21,363,220	7.07	17,445,029	0	17,445,029	5.78	-1.29
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	72,354,849	0	72,354,849	23.95	74,166,678	0	74,166,678	24.55	0.60
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Others (Qualified Foreign Investor)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1):	**112,042,314**	**0**	**112,042,314**	**37.09**	**111,211,447**	**0**	**111,211,447**	**36.82**	**-0.27**

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total share	Demat	Physical	Total	% of total share	
2) Non-Institutions									
a) Bodies Corp.	11,023,071	0	11,023,071	3.65	10,358,891	0	10,358,891	3.43	-0.22
b) Individual									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	7,032,061	4615	7,036,676	2.33	8,023,393	4330	8,027,723	2.66	0.33
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	284,033	0	284,033	0.09	396,083	0	396,083	0.13	0.04
c) Any Others									
i) Foreign Nationals	200	0	200	0.00	248	0	248	0.00	0.00
ii) Non Resident Indian	392,213	0	392,213	0.13	473,848	0	473,848	0.16	0.03
iii) Clearing Member	505,935	0	505,935	0.17	594,809	0	594,809	0.18	0.01
iv) Trusts	1,007,178	0	1,007,178	0.33	1,228,571	0	1,228,571	0.41	0.08
v) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(2):	**20,244,691**	**4615**	**20,249,306**	**6.70**	**21,075,843**	**4330**	**21,080,173**	**6.97**	**0.27**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**132,287,005**	**4615**	**132,291,620**	**43.79**	**132,287,290**	**4330**	**132,291,620**	**43.79**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**302,075,445**	**4615**	**302,080,060**	**100.0**	**302,075,730**	**4330**	**302,080,060**	**100.00**	**0.00**

ii) Shareholding of Promoters

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

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

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

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

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
1	Life Insurance Corporation of India	17382016	5.75	31/03/2016			17382016	5.75
				15/04/2016	252871	Transfer	17634887	5.84
				06/05/2016	127868	Transfer	17762755	5.88
				13/05/2016	170650	Transfer	17933405	5.94
				24/06/2016	82291	Transfer	18015696	5.96
				30/06/2016	453120	Transfer	18468816	6.11
				01/07/2016	29719	Transfer	18498535	6.12
				15/07/2016	20584	Transfer	18519119	6.13
				12/08/2016	-168888	Transfer	18350231	6.07
				19/08/2016	-183761	Transfer	18166470	6.01
				26/08/2016	-403589	Transfer	17762881	5.88
				02/09/2016	-490810	Transfer	17272071	5.72
				09/09/2016	-454186	Transfer	16817885	5.57
				16/09/2016	-288163	Transfer	16529722	5.47
				23/09/2016	-386774	Transfer	16142948	5.34
				30/09/2016	-260162	Transfer	15882786	5.26
				07/10/2016	-219292	Transfer	15663494	5.19
				14/10/2016	-114454	Transfer	15549040	5.15
				21/10/2016	-232948	Transfer	15316092	5.07
				28/10/2016	-269963	Transfer	15046129	4.98
				04/11/2016	-107108	Transfer	14939021	4.95
				25/11/2016	108658	Transfer	15047679	4.98
				02/12/2016	194979	Transfer	15242658	5.05
				31/03/2017			15242658	5.05
2.	Europacific Growth Fund	3500000	1.16	31/03/2016			3500000	1.16
				22/04/2016	-1040000	Transfer	2460000	0.81
				25/11/2016	-160955	Transfer	2299045	0.76
				02/12/2016	-649390	Transfer	1649655	0.55
				09/12/2016	-104000	Transfer	1545655	0.51
				13/01/2017	-96000	Transfer	1449655	0.48
				31/03/2017			0	0.00
3.	ICICI Prudential Life Insurance Company Ltd.	2089905	0.69	31/03/2016			2089905	0.69
				08/04/2016	-1172	Transfer	2088733	0.69
				15/04/2016	5086	Transfer	2093819	0.69
				22/04/2016	1464	Transfer	2095283	0.69
				29/04/2016	-661	Transfer	2094622	0.69
				06/05/2016	16362	Transfer	2110984	0.70
				13/05/2016	16847	Transfer	2127831	0.70
				20/05/2016	11298	Transfer	2139129	0.71
				27/05/2016	-9719	Transfer	2129410	0.70
				03/06/2016	7505	Transfer	2136915	0.71
				10/06/2016	-8484	Transfer	2128431	0.70
				17/06/2016	-28788	Transfer	2099643	0.70
				24/06/2016	-70401	Transfer	2029242	0.67
				30/06/2016	-41919	Transfer	1987323	0.66

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				01/07/2016	-700	Transfer	1986623	0.66
				08/07/2016	43635	Transfer	2030258	0.67
				15/07/2016	-170896	Transfer	1859362	0.62
				22/07/2016	9881	Transfer	1869243	0.62
				29/07/2016	38347	Transfer	1907590	0.63
				05/08/2016	-121447	Transfer	1786143	0.59
				12/08/2016	3284	Transfer	1789427	0.59
				19/08/2016	1122	Transfer	1790549	0.59
				26/08/2016	-37543	Transfer	1753006	0.58
				02/09/2016	2828	Transfer	1755834	0.58
				09/09/2016	48187	Transfer	1804021	0.60
				16/09/2016	-77615	Transfer	1726406	0.57
				23/09/2016	-57023	Transfer	1669383	0.55
				30/09/2016	4301	Transfer	1673684	0.55
				07/10/2016	-2726	Transfer	1670958	0.55
				14/10/2016	11073	Transfer	1682031	0.56
				21/10/2016	37396	Transfer	1719427	0.57
				28/10/2016	8	Transfer	1719435	0.57
				04/11/2016	-90658	Transfer	1628777	0.54
				11/11/2016	-53489	Transfer	1575288	0.52
				18/11/2016	26466	Transfer	1601754	0.53
				25/11/2016	7363	Transfer	1609117	0.53
				02/12/2016	7857	Transfer	1616974	0.54
				09/12/2016	-7983	Transfer	1608991	0.53
				16/12/2016	-11994	Transfer	1596997	0.53
				23/12/2016	-2034	Transfer	1594963	0.53
				30/12/2016	3271	Transfer	1598234	0.53
				06/01/2017	-259	Transfer	1597975	0.53
				13/01/2017	8898	Transfer	1606873	0.53
				20/01/2017	-24	Transfer	1606849	0.53
				27/01/2017	-10867	Transfer	1595982	0.53
				03/02/2017	-2630	Transfer	1593352	0.53
				10/02/2017	776	Transfer	1594128	0.53
				17/02/2017	-1594128	Transfer	0	0.00
				31/03/2017			0	0.00
4.	Fidelity Contrafund Fidelity Contrafund	1945192	0.64	31/03/2016			1945192	0.64
				08/04/2016	-113902	Transfer	1831290	0.61
				15/04/2016	-298216	Transfer	1533074	0.51
				31/03/2017			1533074	0.51
5.	Government of Singapore	1859287	0.62	31/03/2016			1859287	0.62
				08/04/2016	-42832	Transfer	1816455	0.60
				15/04/2016	-767	Transfer	1815688	0.60
				22/04/2016	-52524	Transfer	1763164	0.58
				29/04/2016	-11581	Transfer	1751583	0.58
				06/05/2016	-44583	Transfer	1707000	0.57
				20/05/2016	-26912	Transfer	1680088	0.56
				03/06/2016	-40282	Transfer	1639806	0.54

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				10/06/2016	37162	Transfer	1676968	0.56
				08/07/2016	-29016	Transfer	1647952	0.55
				22/07/2016	-57	Transfer	1647895	0.55
				29/07/2016	-21355	Transfer	1626540	0.54
				05/08/2016	-34254	Transfer	1592286	0.53
				12/08/2016	54347	Transfer	1646633	0.55
				19/08/2016	13224	Transfer	1659857	0.55
				02/09/2016	-10252	Transfer	1649605	0.55
				09/09/2016	1642	Transfer	1651247	0.55
				16/09/2016	910	Transfer	1652157	0.55
				07/10/2016	13170	Transfer	1665327	0.55
				14/10/2016	1038	Transfer	1666365	0.55
				04/11/2016	-3738	Transfer	1662627	0.55
				11/11/2016	-3590	Transfer	1659037	0.55
				25/11/2016	228	Transfer	1659265	0.55
				02/12/2016	64624	Transfer	1723889	0.57
				09/12/2016	54415	Transfer	1778304	0.59
				30/12/2016	11399	Transfer	1789703	0.59
				06/01/2017	10602	Transfer	1800305	0.60
				20/01/2017	-19	Transfer	1800286	0.60
				03/02/2017	-63092	Transfer	1737194	0.58
				10/02/2017	-22019	Transfer	1715175	0.57
				17/02/2017	285	Transfer	1715460	0.57
				03/03/2017	-8582	Transfer	1706878	0.57
				10/03/2017	3508	Transfer	1710386	0.57
				31/03/2017	-32145	Transfer	1678241	0.56
				31/03/2017			1678241	0.56
6.	HDFC Trustee Company Limited-HDFC Equity Fund	1818678	0.60	31/03/2016			1818678	0.60
				08/07/2016	-25000	Transfer	1793678	0.59
				22/07/2016	-11000	Transfer	1782678	0.59
				29/07/2016	-99900	Transfer	1682778	0.56
				16/09/2016	-50000	Transfer	1632778	0.54
				23/09/2016	-41000	Transfer	1591778	0.53
				30/09/2016	-22000	Transfer	1569778	0.52
				07/10/2016	-119300	Transfer	1450478	0.48
				24/03/2017	-50000	Transfer	1400478	0.46
				31/03/2017	-30200	Transfer	1370278	0.45
				31/03/2017			1370278	0.45
7.	Vanguard Emerging Markets Stock Index Fund, Aserie	753763	0.25	31/03/2016			753763	0.25
				08/04/2016	2744	Transfer	756507	0.25
				22/04/2016	1213	Transfer	757720	0.25
				29/04/2016	-1211	Transfer	756509	0.25
				06/05/2016	-774	Transfer	755735	0.25
				10/06/2016	2346	Transfer	758081	0.25
				24/06/2016	9592	Transfer	767673	0.25
				22/07/2016	1962	Transfer	769635	0.25

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				29/07/2016	5856	Transfer	775491	0.26
				05/08/2016	4644	Transfer	780135	0.26
				12/08/2016	4860	Transfer	784995	0.26
				19/08/2016	6912	Transfer	791907	0.26
				09/09/2016	3630	Transfer	795537	0.26
				16/09/2016	23649	Transfer	819186	0.27
				23/09/2016	199504	Transfer	1018690	0.34
				30/09/2016	28189	Transfer	1046879	0.35
				07/10/2016	44051	Transfer	1090930	0.36
				14/10/2016	2970	Transfer	1093900	0.36
				21/10/2016	72221	Transfer	1166121	0.39
				28/10/2016	12047	Transfer	1178168	0.39
				11/11/2016	8775	Transfer	1186943	0.39
				25/11/2016	10665	Transfer	1197608	0.40
				02/12/2016	6075	Transfer	1203683	0.40
				23/12/2016	195646	Transfer	1399329	0.46
				06/01/2017	4248	Transfer	1403577	0.46
				13/01/2017	9027	Transfer	1412604	0.47
				20/01/2017	4248	Transfer	1416852	0.47
				27/01/2017	13672	Transfer	1430524	0.47
				03/02/2017	12744	Transfer	1443268	0.48
				17/02/2017	3540	Transfer	1446808	0.48
				24/03/2017	179181	Transfer	1625989	0.54
				31/03/2017	8756	Transfer	1634745	0.54
				31/03/2017			1634745	0.54
8.	ICICI Prudential Life Insurance Company Limited	0	0.00	31/03/2016			0	0.00
				17/02/2017	1595500	Transfer	1595500	0.53
				24/02/2017	3696	Transfer	1599196	0.53
				03/03/2017	3931	Transfer	1603127	0.53
				10/03/2017	-9206	Transfer	1593921	0.53
				17/03/2017	-1094	Transfer	1592827	0.53
				24/03/2017	-6541	Transfer	1586286	0.53
				31/03/2017	-4467	Transfer	1581819	0.52
				31/03/2017			1581819	0.52
9.	Copthall Mauritius Investment Limited	1408758	0.47	31/03/2016			1408758	0.47
				08/04/2016	97886	Transfer	1506644	0.50
				15/04/2016	2135	Transfer	1508779	0.50
				22/04/2016	47371	Transfer	1556150	0.52
				29/04/2016	1564	Transfer	1557714	0.52
				06/05/2016	8995	Transfer	1566709	0.52
				13/05/2016	24996	Transfer	1591705	0.53
				20/05/2016	2987	Transfer	1594692	0.53
				27/05/2016	649	Transfer	1595341	0.53
				03/06/2016	-5888	Transfer	1589453	0.53
				10/06/2016	6193	Transfer	1595646	0.53
				17/06/2016	2280	Transfer	1597926	0.53
				24/06/2016	9266	Transfer	1607192	0.53

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				30/06/2016	-50094	Transfer	1557098	0.52
				08/07/2016	3907	Transfer	1561005	0.52
				15/07/2016	3610	Transfer	1564615	0.52
				22/07/2016	-62641	Transfer	1501974	0.50
				05/08/2016	-8631	Transfer	1493343	0.49
				12/08/2016	12683	Transfer	1506026	0.50
				19/08/2016	21705	Transfer	1527731	0.51
				26/08/2016	14842	Transfer	1542573	0.51
				02/09/2016	44344	Transfer	1586917	0.53
				09/09/2016	-33104	Transfer	1553813	0.51
				16/09/2016	-1115	Transfer	1552698	0.51
				23/09/2016	15983	Transfer	1568681	0.52
				30/09/2016	19998	Transfer	1588679	0.53
				07/10/2016	43266	Transfer	1631945	0.54
				14/10/2016	-1172	Transfer	1630773	0.54
				28/10/2016	-16138	Transfer	1614635	0.53
				04/11/2016	-12607	Transfer	1602028	0.53
				11/11/2016	9070	Transfer	1611098	0.53
				25/11/2016	-10210	Transfer	1600888	0.53
				02/12/2016	17726	Transfer	1618614	0.54
				09/12/2016	5180	Transfer	1623794	0.54
				16/12/2016	45928	Transfer	1669722	0.55
				23/12/2016	-1302	Transfer	1668420	0.55
				30/12/2016	-87000	Transfer	1581420	0.52
				06/01/2017	-8173	Transfer	1573247	0.52
				13/01/2017	2266	Transfer	1575513	0.52
				20/01/2017	-984	Transfer	1574529	0.52
				27/01/2017	23718	Transfer	1598247	0.53
				03/02/2017	66593	Transfer	1664840	0.55
				10/02/2017	19559	Transfer	1684399	0.56
				17/02/2017	-16053	Transfer	1668346	0.55
				24/02/2017	1692	Transfer	1670038	0.55
				03/03/2017	-7268	Transfer	1662770	0.55
				10/03/2017	-12310	Transfer	1650460	0.55
				17/03/2017	-779	Transfer	1649681	0.55
				24/03/2017	16866	Transfer	1666547	0.55
				31/03/2017	10632	Transfer	1677179	0.56
				31/03/2017			1681865	0.56
10.	HSBC Global Investment Funds A/c HSBC GIF Mauritius	1366699	0.45	31/03/2016			1366699	0.45
				29/04/2016	-76348	Transfer	1290351	0.43
				13/05/2016	-69074	Transfer	1221277	0.40
				20/05/2016	-75000	Transfer	1146277	0.38
				10/06/2016	-470000	Transfer	676277	0.22
				22/07/2016	-381621	Transfer	294656	0.10
				19/08/2016	-198000	Transfer	96656	0.03
				09/09/2016	-18462	Transfer	78194	0.03
				30/09/2016	-57658	Transfer	20536	0.01

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				07/10/2016	-20536	Transfer	0	0.00
				31/03/2017			0	0.00
11.	Vanguard Total International Stock Index Fund	551207	0.18	31/03/2016			551207	0.18
				13/05/2016	8698	Transfer	559905	0.19
				03/06/2016	8296	Transfer	568201	0.19
				24/06/2016	168117	Transfer	736318	0.24
				08/07/2016	8193	Transfer	744511	0.25
				22/07/2016	7541	Transfer	752052	0.25
				09/09/2016	6619	Transfer	758671	0.25
				16/09/2016	16849	Transfer	775520	0.26
				23/09/2016	148149	Transfer	923669	0.31
				07/10/2016	6078	Transfer	929747	0.31
				21/10/2016	5862	Transfer	935609	0.31
				11/11/2016	5838	Transfer	941447	0.31
				25/11/2016	6883	Transfer	948330	0.31
				09/12/2016	6499	Transfer	954829	0.32
				23/12/2016	183767	Transfer	1138596	0.38
				06/01/2017	6208	Transfer	1144804	0.38
				13/01/2017	6754	Transfer	1151558	0.38
				27/01/2017	5109	Transfer	1156667	0.38
				10/02/2017	7287	Transfer	1163954	0.39
				03/03/2017	5491	Transfer	1169445	0.39
				10/03/2017	11265	Transfer	1180710	0.39
				24/03/2017	177931	Transfer	1358641	0.45
				31/03/2017			1365180	0.45
12.	Government Pension Fund Global	1337336	0.44	31/03/2016			1337336	0.44
				15/04/2016	25451	Transfer	1362787	0.45
				13/05/2016	86659	Transfer	1449446	0.48
				20/05/2016	81210	Transfer	1530656	0.51
				27/05/2016	38892	Transfer	1569548	0.52
				03/06/2016	-81526	Transfer	1488022	0.49
				10/06/2016	-69956	Transfer	1418066	0.47
				17/06/2016	-80177	Transfer	1337889	0.44
				15/07/2016	27892	Transfer	1365781	0.45
				05/08/2016	197438	Transfer	1563219	0.52
				12/08/2016	-27030	Transfer	1536189	0.51
				19/08/2016	-136513	Transfer	1399676	0.46
				26/08/2016	100000	Transfer	1499676	0.50
				02/09/2016	-2067	Transfer	1497609	0.50
				09/09/2016	63948	Transfer	1561557	0.52
				16/09/2016	-36296	Transfer	1525261	0.50
				21/10/2016	-150785	Transfer	1374476	0.46
				04/11/2016	-125170	Transfer	1249306	0.41
				11/11/2016	-32585	Transfer	1216721	0.40
				09/12/2016	123900	Transfer	1340621	0.44
				16/12/2016	1694	Transfer	1342315	0.44
				23/12/2016	13259	Transfer	1355574	0.45

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				13/01/2017	62023	Transfer	1417597	0.47
				10/03/2017	-16537	Transfer	1401060	0.46
				17/03/2017	-8719	Transfer	1392341	0.46
				31/03/2017			1392341	0.46
13.	HDFC Standard Life Insurance Company Limited	1285305	0.43	31/03/2016			1285305	0.43
				08/04/2016	46545	Transfer	1331850	0.44
				15/04/2016	23	Transfer	1331873	0.44
				22/04/2016	3482	Transfer	1335355	0.44
				29/04/2016	27537	Transfer	1362892	0.45
				06/05/2016	15052	Transfer	1377944	0.46
				13/05/2016	30985	Transfer	1408929	0.47
				20/05/2016	12754	Transfer	1421683	0.47
				27/05/2016	-1189	Transfer	1420494	0.47
				03/06/2016	-177	Transfer	1420317	0.47
				10/06/2016	-1944	Transfer	1418373	0.47
				17/06/2016	-71744	Transfer	1346629	0.45
				24/06/2016	66643	Transfer	1413272	0.47
				30/06/2016	38398	Transfer	1451670	0.48
				01/07/2016	72	Transfer	1451742	0.48
				08/07/2016	74	Transfer	1451816	0.48
				15/07/2016	17772	Transfer	1469588	0.49
				22/07/2016	21351	Transfer	1490939	0.49
				29/07/2016	-317	Transfer	1490622	0.49
				05/08/2016	76795	Transfer	1567417	0.52
				12/08/2016	-146192	Transfer	1421225	0.47
				19/08/2016	4000	Transfer	1425225	0.47
				26/08/2016	120168	Transfer	1545393	0.51
				02/09/2016	83250	Transfer	1628643	0.54
				09/09/2016	39959	Transfer	1668602	0.55
				16/09/2016	-40736	Transfer	1627866	0.54
				23/09/2016	-50454	Transfer	1577412	0.52
				30/09/2016	91695	Transfer	1669107	0.55
				07/10/2016	31039	Transfer	1700146	0.56
				14/10/2016	-1412	Transfer	1698734	0.56
				21/10/2016	-57992	Transfer	1640742	0.54
				28/10/2016	16343	Transfer	1657085	0.55
				04/11/2016	1674	Transfer	1658759	0.55
				11/11/2016	-7746	Transfer	1651013	0.55
				25/11/2016	-8535	Transfer	1642478	0.54
				02/12/2016	2427	Transfer	1644905	0.54
				09/12/2016	-4489	Transfer	1640416	0.54
				16/12/2016	-4888	Transfer	1635528	0.54
				23/12/2016	-1597	Transfer	1633931	0.54
				30/12/2016	-12793	Transfer	1621138	0.54
				06/01/2017	3386	Transfer	1624524	0.54
				13/01/2017	4285	Transfer	1628809	0.54
				20/01/2017	-10117	Transfer	1618692	0.54

Sl. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No. of Shares held as on 31/03/2016	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason for change	No. of Shares held as on 31/03/2017	% of total shares of the Company
				27/01/2017	-54985	Transfer	1563707	0.52
				03/02/2017	-13434	Transfer	1550273	0.51
				10/02/2017	-2694	Transfer	1547579	0.51
				17/02/2017	6477	Transfer	1554056	0.51
				24/02/2017	2180	Transfer	1556236	0.52
				03/03/2017	327	Transfer	1556563	0.52
				10/03/2017	-5418	Transfer	1551145	0.51
				17/03/2017	9971	Transfer	1561116	0.52
				24/03/2017	-5651	Transfer	1555465	0.51
				31/03/2017	2228	Transfer	1557693	0.52
				31/03/2017			1557154	0.52

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year				
	1. Mr. S. Ravi Aiyar, Executive Director (Legal) & Company Secretary	1(one)	-	1(one)	-
	2. Mr. Ajay Seth, Chief Financial Officer	-	-	-	-
	3. Directors	NIL	-	NIL	-
	Date wise increase/decrease in shareholding during the year specifying the reason for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
2.	At the end of the year				
	1. Mr. S. Ravi Aiyar, Executive Director (Legal) & Company Secretary	1(one)	-	1(one)	-
	2. Mr. Ajay Seth, Chief Financial Officer	-	-	-	-
	3. Directors	NIL	-	NIL	-

V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans (In ₹)	Deposit	Total Indebtedness (In ₹)
Indebtedness at the beginning of the financial year (31st March, 2016)				
(i) Principal Amount	-	2,308,984,273	-	2,308,984,273
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	491,387	-	491,387
Total (i+ii+iii)		**2,309,475,660**		**2,309,475,660**

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
		(In ₹)		(In ₹)
Change in Indebtedness during the financial year				
• Addition	-	4,850,940,186	-	4,850,940,186
• Reduction	-	(2,324,039,694)	-	(2,324,039,694)
Net Change		**2,526,900,492**		**2,526,900,492**
Indebtedness at the end of the financial year (31st March, 2017)				
(i) Principal Amount	-	4,835,513,922	-	4,835,513,922
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	862,231	-	862,231
Total (i+ii+iii)		**4,836,376,153**		**4,836,376,153**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director and Whole-Time Directors

Sl. No.	Particulars of Remuneration	Name of MD/WTD			Total Amount
		Mr. Kenichi Ayukawa	Mr. T. Hasuike	Mr. Shigetoshi Torii	
		(In ₹)	(In ₹)	(In ₹)	(In ₹)
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,528,808	11,554,331	14,961,264	47,044,403
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	6,500,000	3,702,466	5,100,000	15,302,466
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
	(d) Fee for attending board/ committee meetings	-	100,000	-	100,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	• as % of profit	-	-	-	-
	• others, specify…	-	-	-	-
5.	Other–Performance Linked Bonus	15,039,000	8,191,386	10,762,000	33,992,386
	Total (A)	**42,067,808**	**23,548,183**	**30,823,264**	**96,439,255**
	Ceiling as per the Act (₹ in million)		7870		

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Director	Mr. Amal Ganguli (In ₹)	Mr. Davinder Singh Brar (In ₹)	Ms. Pallavi Shroff (In ₹)	Mr. Rajinder Pal Singh (In ₹)		(In ₹)
	• Fee for attending board/ committee meetings	900,000	1,100,000	900,000	600,000		3,500,000
	• Commission	4,595,000	3,845,000	2,710,000	2,330,000		13,480,000
	• Others, please specify	-	-	-	-		-
	Total (1)	**5,495,000**	**4,945,000**	**3,610,000**	**2,930,000**		**16,980,000**
2.	Other Non-Executive Directors	Mr. R.C. Bhargava (In ₹)	Mr. Kinji Saito (In ₹)	Mr. Toshihiro Suzuki (In ₹)	Mr. Osamu Suzuki (In ₹)	Mr. Kazuhiko Ayabe (In ₹)	
	• Fee for attending board/committee meetings	750,000	400,000	600,000	400,000	200,000	2,350,000
	• Commission	9,150,000	-	-	-	-	9,150,000
	• Others, please specify	-	-	-	-	-	-
	Total (2)	**9,900,000**	**400,000**	**600,000**	**400,000**	**200,000**	**11,500,000**
	Total (B)=(1+2) Total Managerial Remuneration	**15,395,000**	**5,345,000**	**4,210,000**	**3,330,000**	**200,000**	**28,480,000**
	Overall ceiling as per the Act (₹ In million)			787			

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. S. Ravi Aiyar (In ₹)	Mr. Ajay Seth (In ₹)	Total (In ₹)
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,835,175	20,775,326	39,610,501
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	338,600	376,400	715,000
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	• as % of profit	-	-	-
	• others, specify…	-	-	-
5.	Others, please specify	402,025	513,274	915,299
	Total	**19,575,800**	**21,665,000**	**41,240,800**

VII. Penalties/ Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment			NIL		
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other Officers in default					
Penalty					
Punishment			NIL		
Compounding					

For and on behalf of the board of directors

R.C. Bhargava
Chairman

Kenichi Ayukawa
Managing Director & CEO

New Delhi
27th April, 2017

Annexure-B

Nomination and Remuneration Policy

1. Scope

1.1. This Nomination and Remuneration Policy (the "Policy") has been framed in compliance with Section 178 of the Companies Act, 2013 (Act) and Clause 49 of the Listing Agreement executed with the Stock Exchanges.

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

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

2. Objective

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

1.2. The Policy aims to provide:

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

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

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

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

3. Board Diversity

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

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

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

1.1. The prospective Director:

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

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

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

(iv) should inter-alia,

(a) uphold the highest ethical standards of integrity and probity;

(b) act objectively and constructively while exercising his / her duties;

(c) exercise his / her responsibilities in a bona fide manner in the interest of the Company;

(d) devote sufficient time and attention to his / her professional obligations for informed and balanced decision making;

(e) not allow any extraneous considerations that will vitiate his / her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

(f) not abuse his / her position to the detriment of the Company or its shareholders or other stakeholders or attempt to gain direct or indirect personal advantage or advantage for any associated person;

(g) avoid conflict of interest, and in case of any apparent situation of conflict of interest, make appropriate disclosures to the Board;

(h) assist the Company in implementing the best corporate governance practices;

(i) strictly adhere to and monitor legal compliances at all levels; and

(j) protect confidentiality of the confidential and proprietary information of the Company.

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

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

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

The evaluation of the Board, its Chairman, individual directors and committees of the Board shall be undertaken in compliance with the provisions of Section 134(3)(p), Section 178 and Clause 49 of the Listing Agreement.

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

1.1 Appointment

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

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

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

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

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

1.2. Removal

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

a. commits a breach of any of the duties, functions and responsibilities or obligations towards the Company or for reasons prescribed under the Act; or

b. compromises independence vis-à-vis the Company in any manner whatsoever which will have an impact on the criteria of independence.

c. if he/she becomes prohibited by law or under the Articles of Association from being an independent director of the Company.

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

1.1. Appointment

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

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

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

1.2. Removal

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

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

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

8. Remuneration

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

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

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

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

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

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

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

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

(iii) Performance linked bonus.

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

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

9. Increments

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

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

10. Review/Amendment

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

Annexure

Evaluation Criteria

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

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

Annexure - C
Annual Report on CSR Activities

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

   The Company's CSR activities are primarily in the areas of village development, road safety and skill development.

   To create a visible and lasting impact, the Company has focused on a few CSR programmes rather than spread resources thin over several projects. The Company has undertaken relevant and effective social projects to have a positive and meaningful impact on the lives of communities. The Company is undertaking water and sanitation, school upgradation and rural development projects in adopted villages.

   In the area of road safety, while the Company has set up several driving schools in collaboration with its dealers, their number is far from sufficient considering the needs of society and the low level of consciousness about road safety in India. The Company is making efforts to scale up the number of driving training schools, and take other initiatives to expand quality driving training in the country.

   The Company has made efforts to involve State Governments in its road safety efforts for a bigger impact. In line with this, the Company has identified a city for a comprehensive road safety programme in partnership with the State Government and municipality. The programme has covered all key areas of road safety. Efforts are being made to persuade State Governments to treat certificates given by Maruti Driving Schools as sufficient and necessary condition for driving licenses.

   To support effective enforcement of traffic rules and improve traffic management, the Company is studying the option of providing equipment and technology to enforcement agencies in this area.

   The Company is expanding its efforts to enhance employability of underprivileged youth by improving the quality of skill training in Industrial Training Institutes (ITIs). The focus of the Company is to upgrade workshops at ITIs as per the industry requirements, train the trainers and training to students on industrial culture and soft skills.

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

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

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

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

   Average net profit of the Company for last three financial years (2013-14, 2014-15 and 2015-16) calculated in accordance with the provisions of the Section 198 is ₹ 4,462.20 crore.

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

   Two percent of the average net profit for last three financial years is ₹ 89.24 crore.

5. **Details of CSR spent during the financial year:**

   A. **Total amount to be spent for the financial year:** The Company was required to spend ₹ 89.24 crore in 2016-17 on CSR activities.

      The Company had spent ₹ 78.46 crore in 2015-16. In 2016-17, the Company was able to scale up the CSR spent to ₹89.45 crore i.e. over two percent of the average net profit for last three financial years.

   B. **Amount unspent: Nil**

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

(in ₹Crore)

Sl. No.	CSR project / activity identified	Sector in which the Project is covered	Projects /Programmes 1. Local area/others- 2. Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) project/ programmes wise	Amount spent on the project /programmes Subheads: 1. Direct expenditure on project, 2.Overheads		Cumulative spend up to the reporting period	Amount spent: Direct /through implementing agency
					Direct	Overhead*		
	Community Development							
1	Water & Sanitation projects: Including Sewer Lines, Bore wells, water tanks, potable drinking water ATMs, Village Waste Collection & Disposal, Construction of Household toilets.	Sanitation and Safe Drinking Water	1. Local 2. Gurugram and Rohtak districts (Haryana), Ahmedabad district (Gujarat), Bangalore Rural (Karnataka)	14.5	14.54	0.44	14.98	Direct and through implementing agency
2	Rural Development Projects: Community halls, cremation grounds, parks, village streets and roads, playgrounds, etc.	Rural Development Projects	1. Local 2 Gurugram and Rohtak districts (Haryana)	20	13.14	0.59	13.73	Direct and through implementing agency
3	Education projects : Upgradation of government school infrastructure and improve learning level of students and all round development of students and youth in the community. Scholarship to students from local community etc.	Promoting Education	1. Local 2. Gurugram and Rohtak districts (Haryana), Ahmedabad district (Gujarat)	8.1	8.60	0.26	8.86	Direct and through implementing agency
	Skill Development							
1	Upgradation of Government / Private Vocational and Industrial Training Institutes: Training and Capacity Building of teachers, Add –on courses, industry exposure for students, repair and maintenance of workshops, providing teaching aids etc.	Employment Enhancing Vocational Skills	Pan India	7.75	10.91	0.85	11.76	Direct and through implementing agency
2	Skill enhancement in Automobile Trade at Industrial Training Institutes (ITI) Support upgradation of automobile trade at ITI's. Upgradation of training facilities, train the trainers, provision of study material and practical training.	Employment Enhancing Vocational Skills	Pan India	7	4.08	1.23	5.31	Direct
	Road Safety							
1	Skill Development in Driving training: Create facilities for training professional drivers, train the trainer, Development of content, new methods of training, and sponsor driving training of novice and existing drivers.	Promoting Education, Vocational Skills	Pan India	18.92	17.45	0.26	17.71	Direct and through implementing agency

(in ₹Crore)

Sl. No.	CSR project / activity identified	Sector in which the Project is covered	Projects /Programmes 1. Local area/others- 2. Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) project/ programmes wise	Amount spent on the project /programmes Subheads: 1. Direct expenditure on project, 2.Overheads		Cumulative spend up to the reporting period	Amount spent: Direct /through implementing agency
					Direct	Overhead*		
2	Road Safety Awareness: Campaigns at college, schools, and during road safety week/month. Road safety awareness campaigns on TV, radio, and print media.	Promoting Education	Pan India	5.56	7.63	0.13	7.76	Direct and through implementing agency
3	City Specific Road Safety: Road safety awareness among citizens for road accidents reductions, analysis of accidents to make the city model in terms of road safety.	Promoting Education	1. Local 2. Gurugram district (Haryana)	5.37	6.34	0.17	6.51	Direct and through implementing agency
	Total (A)			**87.20**	**82.69**	**3.93**	**86.62**	
	CSR Administrative Overheads**							
	Common Administrative Overheads (Salary of CSR staff and expenditure on training and capacity building) (B)						2.83	
	Grand Total (A+B)						**89.45**	

* Overheads primarily include transport costs, stationery, refreshments, telecommunication charges etc.
** Administrative overheads include salary, training and capacity building of CSR staff. These expenditures are undertaken independent of the projects.

6. **In case the Company fails to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report.**
   Not applicable (The Company has spent over 2% of the Average Net Profits of the last 3 financial years in 2016-17).

7. **Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.**
   The Company has implemented and monitored CSR projects in compliance with CSR objectives and policy of the Company.

For and on behalf of the board of directors

R.C. Bhargava
Chairman

Kenichi Ayukawa
Managing Director & CEO

New Delhi
27th April, 2017

Annexure - D

Information in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31st March, 2017.

A. Energy Conservation

The Company continued its energy conservation drive with main focus on reducing energy cost and improving efficiency through adoption of new technology and optimization of processes thereby reducing operational costs. The Company spent ₹ 38.74 million as capital investment towards energy conservation equipments. Energy saving initiatives at its plants helped the Company in reducing overall energy cost. Some of the activities carried out during the year towards environment, energy and water conservation are mentioned as under:

1. Energy Cost Reduction:

a) Increased utilisation of steam turbine generator by using it on pressure control mode and optimising inlet air to the gas turbines.

b) Enhanced use of cheaper government electricity for facilities like air compressors, air conditioners and power plant auxiliaries.

c) Alternate sourcing of electricity through energy exchange and short term power purchase agreements under open access.

2. Energy Conservation:

a) Improvement in the air conditioning system by using energy efficient arctic master, condenser, pumps, motors and use of special coating on condenser fins to enhance heat transfer.

b) Interconnection of cooling system of different boilers to reduce operation of power plant auxiliaries.

c) Use of single chemical in place of multiple chemicals for water treatment to reduce dosing pump operations.

3. Reliability / Process Improvement:

a) Upgradation of switchgears, protection relays and automatic power factor control systems in the power distribution setup with latest devices having improved features like fast response with event recording.

b) Installation of isolation transformer to enhance reliability of power distribution.

4. Safety Improvement:

a) Use of an earthrite system in fuel unloading system to ensure foolproof earthing of static charge.

5. Conservation of water:

a) Increased recycling of water by augmenting tertiary treatment and ultra-filtration in an effluent treatment plant.

b) Enhanced use of condensate recovery from steam distribution system.

B. Research & Development (R&D)

Vision:

The Company has consistently focused its R&D efforts to design and develop global products using in-house capability and capacity over the last few years. The R&D center with 1400 engineers and equipped with world class test and evaluation facilities at Rohtak is developing various new models across segments.

Three new models i.e. urban car Ignis, hot hatch Baleno RS (road sport) and a light commercial truck Super Carry were introduced in 2016-17. Facelift of Alto 800 and refreshers of Eeco and Wagon R were launched during the year.

With the launch of Ignis, Baleno RS and Super Carry, the Company forayed into new segments targeted to capture new customers thereby expanding the customer base.

Technology:

The Company introduced new technologies in the area of platform, powertrain design and connected technologies:

- **Platforms:** New 5th generation stronger, safer and lighter A-Platform was introduced in Ignis.
- **Powertrain:** 1.0L booster jet engine in Baleno RS was launched in Indian market.
- **Connected Technologies:** Android Auto was introduced in Ignis (Apple car play was already available).
- Drive by wire technology by way of electronic throttle body was introduced in the entry level Alto 800 to improve fuel efficiency and driving experience. Electronic throttle body was already available in other models.
- Considering increasing customer preference for two pedal driving, Automated Manual Transmission (AMT) variants were launched in Ignis (Gasoline & Diesel) simultaneously. To provide further seamless driving pleasure, Continuously Variable Transmission (CVT) technology was introduced for the first time in premium hatchback Baleno.

Focus on Safety and Emission Regulations:

The year saw intense focus of the Government and other stakeholders on safety and emission regulations. The next levels of regulatory norms and proposed implementation dates have been announced by the Government of India.

Vitara Brezza was the first model to be certified in India for frontal offset and side impact. During the year, five models viz. Ignis, Baleno, Ertiga, Ciaz and S-Cross were tested and certified for safety regulation (offset frontal impact/side impact/pedestrian) well in advance of the regulations coming into force.

In addition, various models were made compliant to new regulations like mechanical anti-theft devices, immobilizer and speed limiting device.

The Company continues to develop its R&D capability by investing further in world-class testing facilities at the Rohtak R&D center. Using these facilities, the Company will be able to offer vehicles which are safer, environment friendly with enhanced comfort and convenience. Key areas like skill up-gradation of engineers, design capability, capacity enhancement and efficiency improvement were the prime focus for the Company.

The facilities at the Rohtak R&D center will help in testing and validating products to meet future regulations. A number of facilities like endurance test tracks, laboratories for passive safety, vehicle dynamic lab, Noise Vibration and Harshness (NVH), ride handling, braking, structural durability and transmission equipped with state of the art equipment were made operational. The new facilities will help in:

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

To further build on engineering capability, the Company continues to work on various advanced engineering projects to help understand and assimilate new technologies.

Specific areas in which R&D has been carried out:
The Company continuously focuses on developing new technologies. During the year, based on original work done by the engineers, 63 patent applications were filed and 44 technical papers were presented at various national and international conferences. This continuous development of new designs and technology helped in delivering better value to the customers of the Company in the following areas:

- **Comfort and Convenience:**
  - Features like Android Auto for enhanced passenger convenience.
  - Light Emitting Diode (LED) projector headlamp and LED daytime running lamps were introduced in Ignis (first in its class).
  - Extensive evaluation of ride and handling at Rohtak test track by simulating various terrains and driving conditions in India.
  - Improved gear shift performance by reduction in the shifting force.
- **Improved Aesthetics:**
  - Integration of bumpers and side sill with body kit and bumper grill in metallic grey color (Baleno RS).
  - Unique style grill upper design with chrome around head lamp (Ignis).
  - Sporty dual tone rear bumper engineered by online masking process (Baleno RS).
  - Black lacquer coated alloy wheels in Ignis & Baleno RS.
- **NVH and Safety:**
  - Isofix seats in Baleno, S-Cross, Ciaz, and Ignis for child safety.
  - Air bag was introduced as standard/option in all variants of Alto, Wagon R, Celerio, Swift, Dzire, Ertiga, Vitara Brezza, Ciaz, Baleno, Ignis and S-Cross.
  - Advanced compliance to safety norms in Ignis, Baleno, Ciaz, S-Cross and Ertiga.
- **Weight Reduction and Fuel Efficiency improvement:**
  - Extensive usage of high strength and ultra high strength steel to make light weight yet rigid Body in White (BIW) structure with enhanced safety performance in the new A-Platform.
  - Usage of advanced facilities at Rohtak to contribute in developing light weight, cost effective and more fuel efficient vehicles.
  - Various initiatives for improving fuel efficiency by reducing mechanical friction and improving combustion efficiency.
  - Friction reduction by adopting low-loss bearings with reduced torque loss and low viscosity transmission fluid for improved fuel efficiency.

- **Benefits derived as a result of above R&D:**
  - Launched Ignis marking an entry into a new segment of feature rich premium urban compact vehicle. First vehicle among the Company's portfolio equipped with AMT in both petrol and diesel variant.
  - Launched Baleno RS, the Company's first high performance segment model with new 1.0L booster jet direct injection turbo charged engine.
  - Launched Super Carry powered by 793 cc light weight and compact two cylinder diesel engine marking the Company's entry into Light Commercial Vehicle (LCV) segment.
  - Launched Alto 800 facelift with improved fuel efficiency and driver airbag as an option from the base variant onwards.
  - Introduced Wagon R AGS and VXI+ variant and new dual toned and piano finish interiors.
  - Extensive use of high tensile steel made the body stronger, safer and lighter.
  - The Company saved ₹ 335 million by localization and ₹ 1875 million from implementation of Value Analysis / Value Engineering (VA / VE) proposals.

Future plan of action:
The customers are becoming more aware and demanding attractive design, higher fuel efficiency, improved comfort, convenience and enhanced safety. To cater to the customer's and regulatory requirements, the R&D team is working proactively in the following areas:

- Introduction of new models, full model and facelift change of existing models.
- Compliance for safety crash norms for existing as well as upcoming new models.
- Implementation of new emission regulations being announced by the Government of India.
- Use of high tensile steel for stronger, safer, lighter and more fuel efficient vehicles.
- Vehicle interior technologies related to enhancement of aesthetics.
- Work on advanced projects in line with global trends for future readiness.
- Advanced engineering projects are under progress with technology partners to bring cutting-edge technology into the future models of the Company.

C. Technology Absorption, Adaptation and Innovation

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

- Capability enhancement in component and vehicle evaluation. Expansion of Computer Aided Engineering (CAE) scope and improving process robustness by testing of new materials.
- Development of Computational Fluid Dynamics (CFD) analysis to new systems of vehicle design.
- Seat riding comfort evaluation, benchmarking and design optimization.
- Implementation of Design Failure Mode and Effect Analysis (DFMEA) as a part of product design process to ensure design robustness.
- Vehicle body design using high tensile material and new light weight energy efficient structure.
- Creating knowledge by deep study and analysis of various competitor products across the globe through focused performance and function benchmarking for generating value for the customer.
- Capability augmentation in the area of alternative fuels and power train through various study projects.
- Generate and implement value engineering ideas at design stage itself while maintaining the high quality, performance and cost targets.
- Special value enhancement idea generation activities done with vendors to reduce costs.

2. Benefits derived as a result of above efforts

- Significant weight reduction in new models relative to existing models without compromising performance and durability.
- High local content in new models leading to lower costs and continuous reduction in product cost of existing models.
- Improved fuel efficiency.
- Improved productivity and profitability of models.

3. Technology inducted:

- **Platform:** Ignis is built on a brand new generation lightweight, rigid platform embodying Suzuki's Total Effective Control Technology (TECT) for occupant protection.
- **Connected Technology:** Ignis is the first in class and first model in Company's line-up to introduce Android Auto, extending smartphone connectivity to android users.
- **Powertrain:** 1.0L booster direct injection turbo charged engine offers 20 percent more power and 30 percent more torque compared to 1.2L naturally aspirated engine peak torque is available for a wide range of engine Revolutions Per Minute (RPM). It performs superbly across all conditions from city rides to highway driving.
- LED projector headlamps with LED daytime running lamps were introduced in Ignis first in the segment in Indian automotive market.
- Integrated sheet metal body front panel instead of Fibre Reinforced Plastic (FRP), to enhance quality, rigidity and cut-down on spares cost.
- Usage of high tensile and galvanized material in underbody chassis area.

Year of import: 2016-17

Status of absorption: The technologies have been fully absorbed.

Expenditure incurred on R&D

(₹ in million)

	Particulars	2016-17	2015-16
A.	Capital Expenditure	3,491	3,289
B.	Net Revenue Expenditure	2,913	2,646
	Total	**6,404**	**5,935**

D. Foreign Exchange Earnings & Outgo (Cash Basis)

During the year, total inflows (on cash basis) in foreign exchange were ₹ 58,820 million and total outflows (on cash basis) in foreign exchange were ₹ 95,924 million.

For and on behalf of the board of directors

R.C. Bhargava
Chairman

Kenichi Ayukawa
Managing Director & CEO

New Delhi
27th April, 2017

Annexure - E

Form No. MR - 3

Secretarial Audit Report
For the financial year ended on 31st March, 2017

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

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

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **31st March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

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

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [Not Applicable as the Company has not issued any further share capital during the period under review];

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

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

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

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

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 [Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review].

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

1. Motor Vehicles Act, 1988
2. The Central Motor Vehicles Rules, 1989

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

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

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

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

We further report that
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The composition as on 31st March, 2017 during the period under review is mentioned in **Annexure - I.**

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

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

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

(i) Mr. Kenichi Ayukawa was re-appointed as the Managing Director and Chief Executive Officer of the Company for a period of three years with effect from 1st April, 2016.

(ii) The Company, in pursuance to the Scheme of Amalgamation between the Company and its seven wholly owned subsidiaries, that is, (i) Maruti Insurance Business Agency Limited; (ii) Maruti Insurance Agency Services Limited; (iii) Maruti Insurance Distribution Services Limited; (iv) Maruti Insurance Agency Logistics Limited; (v) Maruti Insurance Agency Solutions Limited; (vii) Maruti Insurance Broker Limited; and (vii) Maruti Insurance Agency Network Limited, and the respective shareholders and creditors of the Amalgamating Companies, received the order dated 24th December, 2016 of Hon'ble High Court of Delhi with respect to first motion application.

Further, consequent to notification of applicability of Sections 230 to 232 of Companies Act, 2013, the National Company Law Tribunal (NCLT), being vested with the jurisdiction, considered the aforesaid matter and passed the order in respect to the second motion application on 01st March, 2017.

For and on behalf of the board of directors

For RMG & Associates
Company Secretaries

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

New Delhi
27th April, 2017

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

Annexure - I

Composition of the Board of Directors as on 31st March, 2017

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

Notes:

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

Annexure - II

The Members
Maruti Suzuki India Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

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

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

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

For and on behalf of the board of directors

For RMG & Associates
Company Secretaries

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

New Delhi
27th April, 2017

Dividend Distribution Policy

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

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

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

Following points shall be considered while declaring dividend:

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

Retained earnings are intended to be utilized for:

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

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

Dividend guidelines

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

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

Board approval
The Board accordingly approved the following guidelines for dividend payment:

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

Corporate Governance Report

Corporate Governance Philosophy

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

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

Management Structure and Shared Leadership

The Company has a multi-tier management structure with the board of directors at the top. The Company has five business verticals viz. Quality Assurance, Production, Engineering, Supply Chain and Marketing & Sales. Besides the above, the support functions of Human Resources, Legal & Secretarial, Finance, Information Technology and Corporate Planning report directly to the Managing Director & CEO. The top level management of these verticals consists of a team of two persons, one of whom is a Japanese manager and the other, an Indian manager. The managers at the top level are designated as Executive Officers (EO). The board meetings of the Company mark the presence of all the 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 the top management the opportunity to give recommendations relevant to their business operations. The executive officers are supported 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 focused on implementation;
- Information regarding the Company's operations and financial performance are made available adequately;
- Delegation of decision making with accountability is achieved;
- Financial and operating control and integrity are maintained at an optimal level;
- Risk is suitably evaluated and dealt with.

Board of Directors

Composition of the board

As on 31st March, 2017, the Company's board consists of twelve members. The chairman of the board is a non-executive director. The Company has an optimum combination of executive and non-executive directors in accordance with Regulation17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The board has two executive directors and ten non-executive directors, of whom four are independent directors. Their composition is given in **Table 1.** Except Mr. O. Suzuki and Mr. Toshihiro Suzuki who are related to each other, none of the directors is related to any other director. All independent directors are persons of eminence and bring a wide range of expertise and experience to the board thereby ensuring the best interests of stakeholders and the Company.

Table 1: Composition of the Board as on 31st March, 2017

Sl. No.	Name	Category	No. of directorship(s)		No. of committee(s)	
			Public	Private	Member (including chairpersonship)	Chairman
1	Mr. R. C. Bhargava	Chairman,Non-Executive	5	1	4	1
2	Mr. Kenichi Ayukawa	Managing Director and CEO, Executive	4	1	2	-
3	Mr. Shigetoshi Torii	Executive	1	1	-	-
4	Mr. Toshiaki Hasuike	Non-Executive	2	-	-	-
5	Mr. Kazuhiko Ayabe	Non-Executive	1	-	-	-
6	Mr. Osamu Suzuki	Non-Executive	1	-	-	-

Sl. No.	Name	Category	No. of directorship(s)		No. of committee(s)	
			Public	Private	Member (including chairpersonship)	Chairman
7	Mr. Toshihiro Suzuki	Non-Executive	1	-	-	-
8	Mr. Kinji Saito	Non-Executive	1	-	-	-
9	Mr. Amal Ganguli	Independent	10	2	10	3
10	Mr. R.P.Singh	Independent	2	2	1	-
11	Mr. Davinder Singh Brar	Independent	4	12	7	1
12	Ms. Pallavi Shroff	Independent	4	11	2	-

In terms of Regulation 26(1) of Listing Regulations:

- Foreign companies, private limited companies and companies under section 8 of the Companies Act, 2013 are excluded for the purpose of considering the limit of committees.
- The committees considered for the purpose are audit committee and stakeholders' relationship committee.
- None of the directors was a member of more than 10 committees or chairman of more than 5 committees across all listed companies in which he/she is a director.

None of the directors holds equity shares in the Company.

Board Meetings

The board met five times during the year on 26th April, 2016, 26th July, 2016, 27th October, 2016, 25th January, 2017 and 23rd March, 2017. The board meets at least four times a year with a maximum gap of one hundred and twenty days between any two meetings. Additional meetings are held, whenever necessary. **Table 2** gives the attendance record of the directors at the board meetings as well as the last annual general meeting (AGM).

Table 2: Board Meeting and AGM Attendance Record of the Directors in 2016-2017

Name	Number of Board Meetings attended (Total meetings held: 5)	Whether attended last AGM
Mr. R. C. Bhargava	5	Yes
Mr. Kenichi Ayukawa	5	Yes
Mr. Shigetoshi Torii	5	Yes
Mr. Toshiaki Hasuike	4	Yes
Mr. Kazuhiko Ayabe	2	Yes
Mr. Osamu Suzuki	4	No
Mr. Toshihiro Suzuki	5	Yes
Mr. Kinji Saito	4	Yes
Mr. Amal Ganguli	3	Yes
Mr. Davinder Singh Brar	4	Yes
Mr. R.P. Singh	5	Yes
Ms. Pallavi Shroff	4	Yes

Information Supplied to the Board

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

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

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

Committees of the Board

I. Audit Committee

Composition and Meetings

Table 3 shows the composition of the audit committee and the details of attendance. The audit committee met seven times during the year on 26th April, 2016, 26th July, 2016, 15th September, 2016, 27th October, 2016, 6th December, 2016, 25th January, 2017 and 23rd March, 2017. 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 3: Composition as on 31st March, 2017 and Attendance

Name	Category	Designation	No. of meetings attended in 2016-2017 (Total meetings held: 7)
Mr. Amal Ganguli	Independent	Chairman	5
Mr. Kenichi Ayukawa	Executive	Member	7
Mr. Davinder Singh Brar	Independent	Member	6
Ms. Pallavi Shroff	Independent	Member	5

The Company Secretary acts as the secretary to the audit committee. Wherever required, other directors and members of the management are also invited. Mr. D.S. Brar chaired two meetings owing to absence of Mr. Amal Ganguli.

Role

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

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

10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk evaluation and mitigation systems.
12. Reviewing with the management the performance of statutory and internal auditors, and adequacy of the internal control systems.
13. Reviewing the adequacy of the internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
14. Discussions with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain and resolve any areas of concern.
17. Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. Review the functioning of the whistle blower mechanism.
19. Approval of appointment of the Chief Financial Officer after assessing the qualifications, experience, background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the charter of the audit committee.

II. Stakeholders' Relationship Committee

Composition

Table 4 shows the composition of the Stakeholders' Relationship Committee. Mr. R. C. Bhargava, the Chairman attended the last annual general meeting to address shareholders' queries.

Table 4: Composition as on 31st March, 2017

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

The Company Secretary is the compliance officer and 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 the 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 and company secretary severally.

Investor Grievance Redressal

During the year, 72 complaints were received and resolved. No transfer of shares was pending as on 31st March, 2017.

III. Nomination and Remuneration Committee (NRC)

Composition and Meetings

Table 5 shows the composition of the Nomination and Remuneration Committee and the details of attendance.

Table 5: Composition as on 31st March, 2017 and Attendance

Name	Category	Designation	No. of meetings attended in 2016-2017 (Total meetings held:2)
Mr. Amal Ganguli	Independent	Chairman	2
Mr. R.C. Bhargava	Non-Executive	Member	2
Mr. Davinder Singh Brar	Independent	Member	2
Mr. Toshihiro Suzuki	Non-Executive	Member	2

The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

Terms of Reference

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

1. Identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the board their appointment and removal.
2. Formulate criteria for evaluation of the performance of every director and the board as a whole.
3. Formulate the criteria for determining qualification, positive attributes and independence of a director and devising a policy on board diversity.
4. Recommend to the board a remuneration policy applicable to directors, key managerial personnel and other employees.
5. Ensure that –
   a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.

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

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

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

Performance Evaluation Criteria for Independent Directors & Remuneration Policy

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

Remuneration of Directors

Table 6 gives details of the remuneration for the financial year ended 31st March, 2017. The Company did not advance any loans to any of its directors in the year under review.

Table 6: Details of Remuneration for the financial year ended 31st March, 2017

Name	Salary & Perquisites (in ₹)	Performance Linked Bonus* (in ₹)	Sitting Fees (in ₹)	Commission (in ₹)	Total (in ₹)
Mr. R.C. Bhargava	-	-	7,50,000	91,50,000	99,00,000
Mr. Kenichi Ayukawa	2,70,28,808	1,50,39,000	-	-	4,20,67,808
Mr. Toshiaki Hasuike	1,52,56,797	81,91,386	1,00,000	-	2,35,48,183
Mr. Kazuhiko Ayabe	-	-	2,00,000	-	2,00,000
Mr. Shigetoshi Torii	2,00,61,264	1,07,62,000	-	-	3,08,23,264
Mr. Kinji Saito	-	-	4,00,000	-	4,00,000
Mr. Toshihiro Suzuki	-	-	6,00,000	-	6,00,000
Mr. Osamu Suzuki	-	-	4,00,000	-	4,00,000
Mr. Amal Ganguli	-	-	9,00,000	45,95,000	54,95,000
Mr. Davinder Singh Brar	-	-	11,00,000	38,45,000	49,45,000
Ms. Pallavi Shroff	-	-	9,00,000	27,10,000	36,10,000
Mr. Rajinder Pal Singh	-	-	6,00,000	23,30,000	29,30,000

*The payment of performance linked bonus is subject to the approval of the board of directors. Apart from the above, there were no pecuniary transactions between the Company and Directors. The performance criteria for the purpose of payment of remuneration to the directors are in accordance with the Nomination and Remuneration Policy. Mr. Kenichi Ayukawa was re-appointed as Managing Director & CEO with effect from 1st April, 2016 for a period of three years and Mr. Shigetoshi Torii was appointed as a Whole-time Director with effect from 31st July, 2014 for a period of three years by the members of the Company. There is no severance fee. The Company has not issued any stock options.

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

Remuneration of the Non-Executive Directors

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

IV. Corporate Social Responsibility Committee (CSR)
Composition and Meetings
Table 7 shows the composition of the Corporate Social Responsibility Committee and the details of attendance.

Table 7: Composition as on 31st March, 2017 and Attendance

Name	Category	Designation	No. of meetings attended in 2016-2017 (Total meetings held:2)
Mr. R.C. Bhargava	Non-Executive	Chairman	2
Mr. Kenichi Ayukawa	Executive	Member	2
Mr. R.P. Singh	Independent	Member	2

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

Terms of reference

1. To frame the CSR policy and its review from time-to-time.
2. To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.

3. To ensure compliance with the law, rules and regulations governing the CSR and to periodically report to the board of directors.

V. Risk Management Committee (RMC)

Composition and Meetings

Table 8 shows the composition and meetings of the RMC.

Table 8: Composition as on 31st March, 2017 and Attendance

Name	Category	Designation	No. of meetings attended in 2016-2017 (Total meetings held:1)
Mr. R.C. Bhargava	Non-Executive	Chairman	1
Mr. Kenichi Ayukawa	Executive	Member	1
Mr. Toshiaki Hasuike	Executive	Member (till 19th November, 2016)	1
Mr. Shigetoshi Torii	Executive	Member (from 20th November, 2016)	Not Applicable
Mr. Ajay Seth	Chief Financial Officer	Member	1
Mr. R. S. Kalsi	Executive Officer (Marketing & Sales)	Member	1

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

Roles and Responsibilities of the RMC

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

An Executive Risk Management Committee (ERMC) is in place at the management level to review the risk management activities of the Company on a regular basis. The composition of the ERMC consists of the Managing Director & CEO, Director (Production), Vertical Heads and Executive Officers of the Company. The Risk Management Department periodically organises reviews of the risk mitigation and implementation plans of risks with Chairman/ top management.

General Body Meetings

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

Financial Year	Location	Date	Time
2013-2014	Air Force Auditorium, Subroto Park, New Delhi	4th September, 2014	10:00 a.m.
2014-2015		4th September, 2015	10:00 a.m.
2015-2016		8th September, 2016	10:00 a.m.

The Company passed one special resolution in the annual general meeting held on 4th September, 2014 increasing the shareholding limit for Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs) and Qualified Foreign Investors (QFIs) from 24% upto an aggregate limit of 40% of the paid-up equity share capital of the Company. The special resolution was not required to be put through postal ballot.

Management

Management Discussion and Analysis Report

The 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 a material nature with the promoters, the directors or the management, their subsidiaries or relatives, etc. that had any potential conflict with the interests of the Company. All disclosures related to financial and commercial transactions where directors may have a potential interest are provided to the board and the interested directors do not participate in the discussion nor do they vote on such matters.

Related Party Transactions

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

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

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

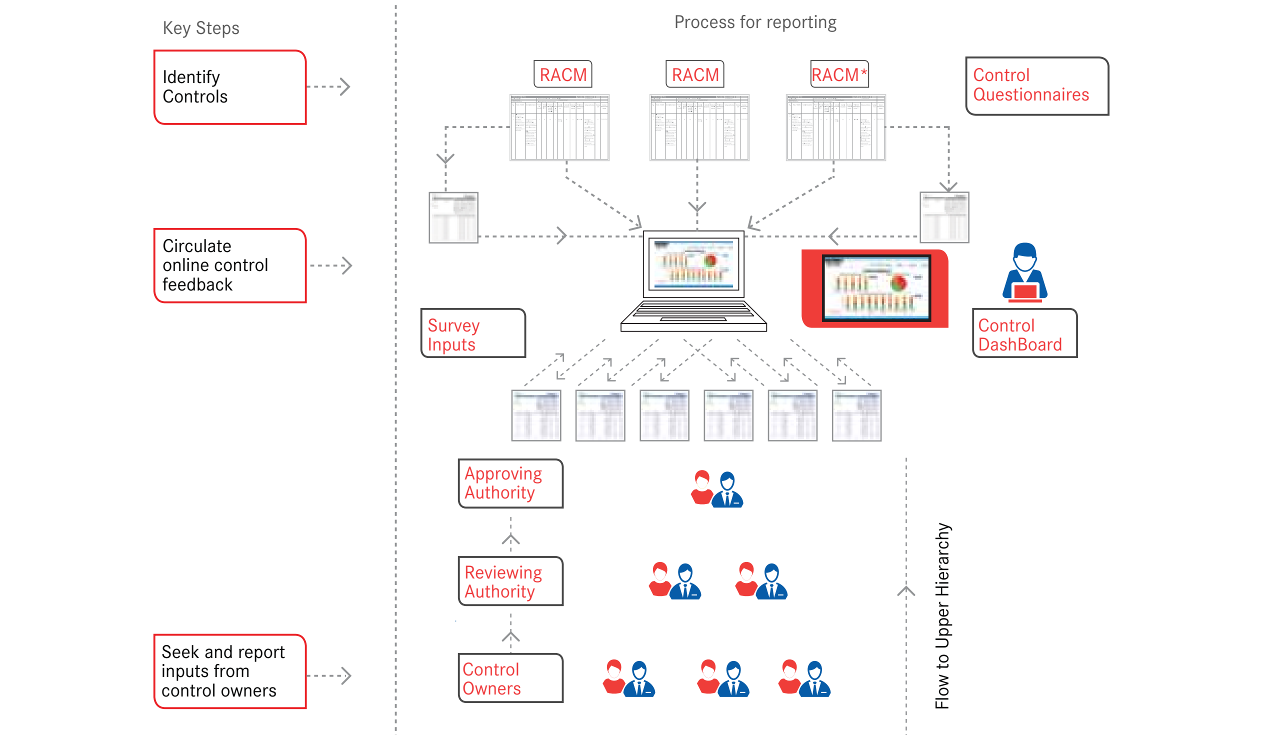
The Company's code of conduct has been posted on its website www.marutisuzuki.com The code of conduct was circulated to all the members of the board and senior management personnel and they had affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2017. A declaration to this effect signed by the Managing Director & CEO of the Company forms part of this report as **Annexure - A.**

CEO/ CFO Certification

The Company has institutionalised the framework for CEO/ CFO certification by establishing a transparent "controls self assessment" mechanism, thereby laying the foundation for development of the best corporate governance practices which are vital for a successful business. It is the Company's endeavour to attain the highest level of governance to enhance the stakeholders' value. To enable certification by CEO/CFO for the financial year 2016-17, key controls over financial reporting were identified and subjected to self-assessment by control owners in the form of completion of self-assessment questionnaires through a web based online tool called "Controls Manager". The self-assessments submitted by control owners were further reviewed and approved by their superiors and the results of the self-assessment process were presented to the auditors and the audit committee. The whole exercise was carried out in an objective manner to assess the effectiveness of internal financial controls including controls over financial reporting during the financial year 2016-2017.

As required under Regulation 17 of the Listing Regulations, a certificate duly signed by the Managing Director & CEO and the Chief Financial Officer was placed before the board of directors at its meeting held on 27th April, 2017.

Enabling controls self-assessments through the "Controls Manager"



* RACM: Risk & Control Matrix

Legal Compliance Reporting

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

Code for Prevention of Insider Trading Practices

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

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

The web links of familiarisation programmes for the independent directors, policy on related party transactions and policy on material subsidiaries are http://www.marutisuzuki.com/familiarization-programmes.aspx, http://www.marutisuzuki.com/policy-on-related-party-transactions.aspx and http://www.marutisuzuki.com/policy-on-subsidiary-companies.aspx respectively.

Whistle Blower Mechanism

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

Details of Non-Compliance

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

Subsidiary Companies

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

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

Shareholders' Information

Means of Communication

Financial results	Quarterly, half-yearly and annual financial results are published in 'The Hindu-Business Line', 'Financial Express' and in Hindi editions of 'Jansatta' and 'Hindustan'.
Monthly sales/production	Monthly sales and production figures are sent to stock exchanges as well as displayed on the Company's website www.marutisuzuki.com.
News releases	All official news releases are sent to stock exchanges as well as displayed on the Company's website www.marutisuzuki.com.
Website	The Company's website www.marutisuzuki.com contains a dedicated segment called 'Investors' where all information needed by members is available including ECS mandate, nomination form and annual report. The website, inter-alia, also displays information regarding presentation made to media/ analysts/ institutional investors, financials, press releases, stock information, shareholding patterns, details of unclaimed dividend, etc.
Annual report	In our endeavour to protect the environment, the Company sent the annual report for the year 2015-2016 through e-mails to a large number of members who had registered their e-mail ids with either depository participant (DP) or the Registrar & Transfer Agent (RTA) or the Company. This also helped the Company in saving a huge cost towards printing and despatch. For those members whose e-mail ids were not registered, the annual report in physical mode was sent by post to their registered addresses.
BSE Listing Centre & NEAPS (NSE Electronic Application Processing System)	All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through BSE Listing Centre and NEAPS.
Scores (SEBI Complaints Redressal System)	SEBI commenced processing of investor complaints in a centralized 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 ids have been exclusively dedicated for the investors' queries: investor@maruti.co.in einward.ris@karvy.com Queries relating to annual report may be sent to investor@maruti.co.in and queries relating to transfer of shares and splitting/ consolidation / remat of shares, payment of dividend, etc. may be sent to einward.ris@karvy.com
Request to members	The members of the Company who are holding shares in demat form are requested to kindly update their e-mail ids with their depository participants and those who are holding shares in physical forms kindly get it registered with Karvy Computershare Pvt. Ltd., the Registrar and Share Transfer Agent of the Company.

Additional Information

Annual General Meeting

Date: 5th September, 2017
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, 2018, results will be announced:

By the end of July, 2017: First quarter results

By the end of October, 2017: Second quarter results

By the end of January, 2018: Third quarter results

By the end of April, 2018: Fourth quarter and annual results

Book Closure

The period of book closure is from Tuesday, the 29th August, 2017 to Tuesday, the 5th September, 2017 (both days inclusive).

Dividend Payment

Subject to the approval of the members in the annual general meeting, a dividend of ₹ 75 per equity share (face value ₹ 5 per equity share) for the year 2016-2017 will be paid on or after 11th September, 2017, to those whose names appear in the register of members / beneficial owners at the close of business hours on 28th August, 2017.

Reminders were sent to the members requesting them to claim unclaimed dividend for the year 2008-09. Some members claimed their unclaimed dividends. The payments were made directly to their bank accounts wherever the particulars were available, under intimation to those entitled. The balance remaining unclaimed was transferred to the Investor Education & Protection Fund (IEPF) within the stipulated time.

Listing on Stock Exchanges

The equity shares of the Company are listed on BSE and NSE. The annual listing fee for the year 2017-18 has been paid to both the stock exchanges. **Table 10** lists the Company's stock exchange codes. The Company will pay the annual custodial fee for the year 2017-18 to both the depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on receipt of the invoices.

Table 10: Stock Code

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

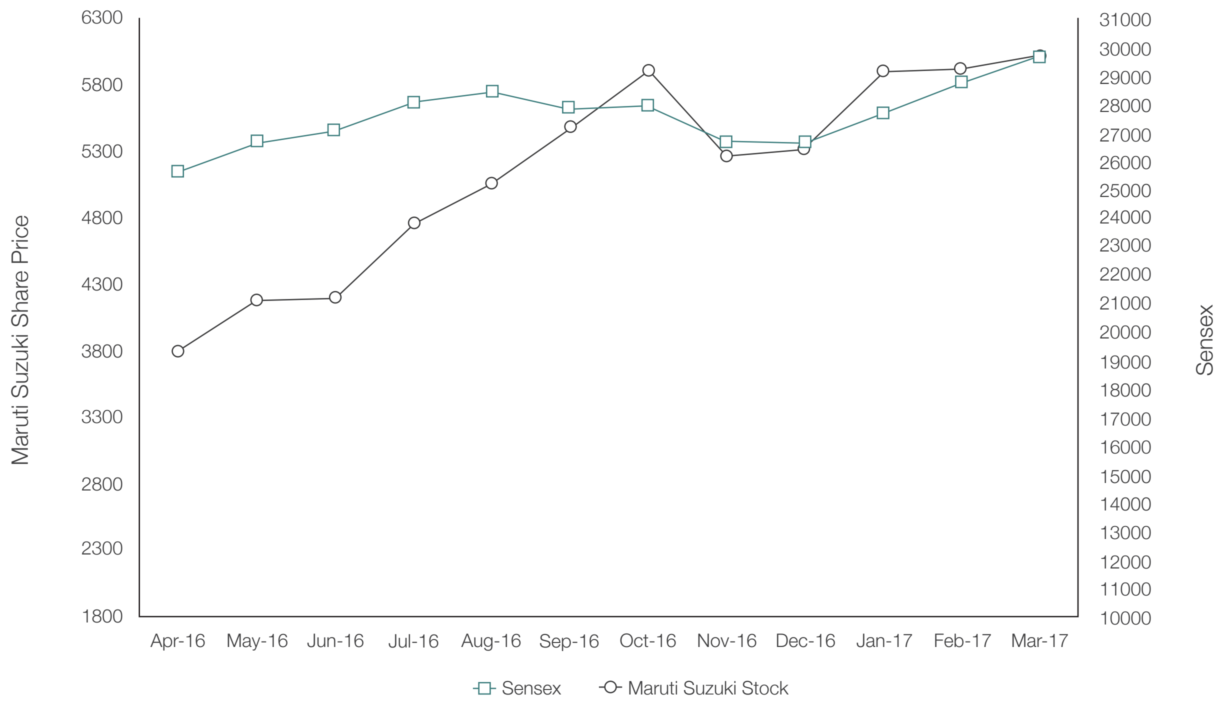
Stock Market Data

Table 11 gives the monthly high and low prices of the Company's equity shares on BSE and NSE for the year 2016-17. **Chart A** plots the movement of the Company's share prices on BSE vis-a-vis BSE Sensex for the year 2016-17.

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

Month	National Stock Exchange		Bombay Stock Exchange	
	High (₹)	Low (₹)	High (₹))	Low (₹)
Apr 16	3932	3418	3930	3418
May 16	4180	3751	4184	3752
Jun 16	4235	3866	4231	3868
Jul 16	4824	4125	4819	4126
Aug 16	5103	4772	5104	4775
Sept 16	5634	5019	5630	5022
Oct 16	5948	5574	5950	5574
Nov 16	5974	4765	5972	4769
Dec 16	5377	5035	5374	5040
Jan 17	5939	5267	5936	5270
Feb 17	6233	5842	6230	5845
Mar 17	6226	5800	6222	5804

Chart A



Registrar and Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District, Nanakramguda
Hyderabad – 500 032
Phone No.: 040-67162222
Fax No. : 040-23001153
Toll Free: 1800-345-4001
Mail Id: einward.ris@karvy.com
Website: www.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 12 lists the distribution schedule of equity shares of the Company as on 31st March, 2017.

Table 12: Distribution Schedule as on 31st March, 2017

Sl. No.	Category	No. of shareholders	%	No. of shares	%
1	upto1 - 5000	172838	98.72	7447679	2.46
2	5001 - 10000	564	0.32	804573	0.27
3	10001 - 20000	366	0.21	1048052	0.35
4	20001 - 30000	186	0.11	914184	0.30
5	30001 - 40000	116	0.07	826213	0.27
6	40001 - 50000	85	0.05	763203	0.25
7	50001 - 100000	252	0.14	3583211	1.19
8	100001 & above	669	0.38	286692945	94.91
	Total	**175076**	**100.00**	**302080060**	**100.00**

Dematerialisation of Shares and Liquidity

As on 31st March, 2017, 99.999 percent of the Company's total paid up equity capital representing 302075730 equity shares was held in dematerialised form. The balance 0.001percent equity representing 4330 equity shares was held in physical form.

Suzuki Motor Corporation, the promoter of the Company holds 169,788,440 shares in dematerialized form. Pursuant to Regulation 39 read with Schedule VI of Listing Regulations, 2015, 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. Table 13 gives the details of these shares.

Table 13:

Securities	Balance as on 01-04-2016		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 31-03-2017	
	No. of records	No. of shares			No. of records	No. of shares
Equity Shares	14	1000	7	400	7	600

The voting rights on these 600 shares shall remain frozen till the rightful owner of these shares claims the shares.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Please refer to Management Discussion and Analysis.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

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

Details of Public Funding Obtained in the last three years

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

Plant Location

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

Adoption of Non-Mandatory Requirements

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

Other Disclosures

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

Address for correspondence
Investors may please contact for queries related to:

I. Shares held in dematerialised form
Their **Depository Participant(s)**

and/or

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District, Nanakramguda
Hyderabad – 500 032
Phone No.: 040-67162222
Fax No. : 040-23001153
Toll Free: 1800-345-4001
Mail Id: einward.ris@karvy.com
Website: www.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-110 070
Phone No.: (+91)-11-4678 1000
Email Id: investor@maruti.co.in
Website: www.marutisuzuki.com

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 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 to them during the year ended 31st March, 2017.

26th April, 2017

New Delhi

Kenichi Ayukawa

Managing Director & CEO

Auditor's Certificate

Regarding Compliance of Conditions of Corporate Governance

REF: ND/JA/2017/98

To
The Members of
Maruti Suzuki India Limited

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter reference no. ND/JA/2016/194 dated 26 October, 2016.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Maruti Suzuki India Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

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

Auditor's Responsibility

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

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

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

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

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2017.

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal
Partner
(Membership No. 87104)

Gurgaon
29th May, 2017


Ciaz

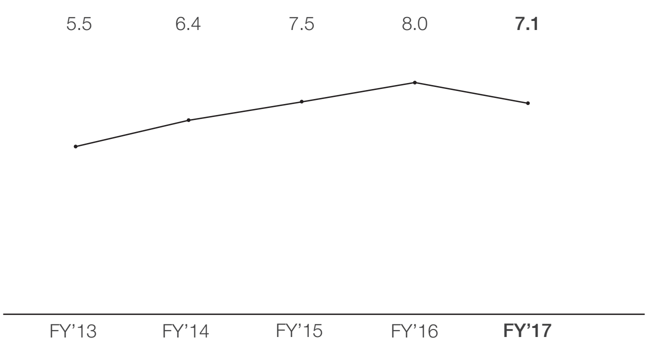
Management Discussion & Analysis

Overview

Economy

The Indian economy has sustained a GDP growth rate of above 7% for the last three years. The financial year 2016-17 began with a conducive business environment. A pro-growth macroeconomic policy, low inflation, a normal monsoon and implementation of 7th Pay Commission supported a broad-based recovery in consumption demand. Demonetisation, announced in the third quarter, was expected to pull back the consumption recovery to a certain extent. However, preliminary data released by government agencies indicates that most economic activities had returned to near-normal by the end of the fiscal year. The revival of global demand further supported recovery through improved exports. Fund inflows into Indian stock markets increased significantly in the latter part of the year, reflecting growing Investor confidence.

India's GDP Growth Rate (%)

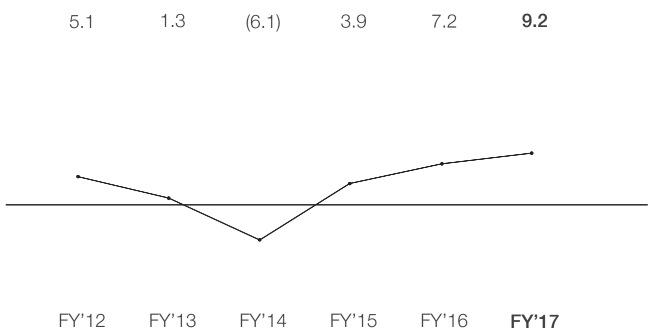


Source: CSO, Estimates

India's passenger vehicle market grew at 9.2% in 2016-17, compared to 7.2% in 2015-16. Growth was broad-based, with almost half the manufacturers showing improved sales over the previous year. New models were the primary growth drivers during the year.

The reduction in lending rates, coupled with banks' renewed focus on retail loans, also supported growth. Implementation of the 7th Pay Commission recommendations and revival of non-urban demand in the latter half of the year along with sales promotion aided the growth of the passenger vehicle market in 2016-17.

Domestic Passenger Vehicle Industry Growth (%)

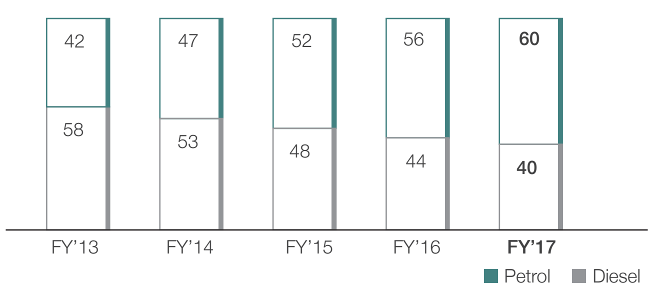


Source: SIAM

The challenges faced by the industry included subdued demand in small towns and rural areas in the first quarter, owing to successive monsoon failures. There was a temporary ban on the sale of diesel vehicles of engine size over 2000 cc in National Capital Region. Prices of commodities, notably steel, firmed up.

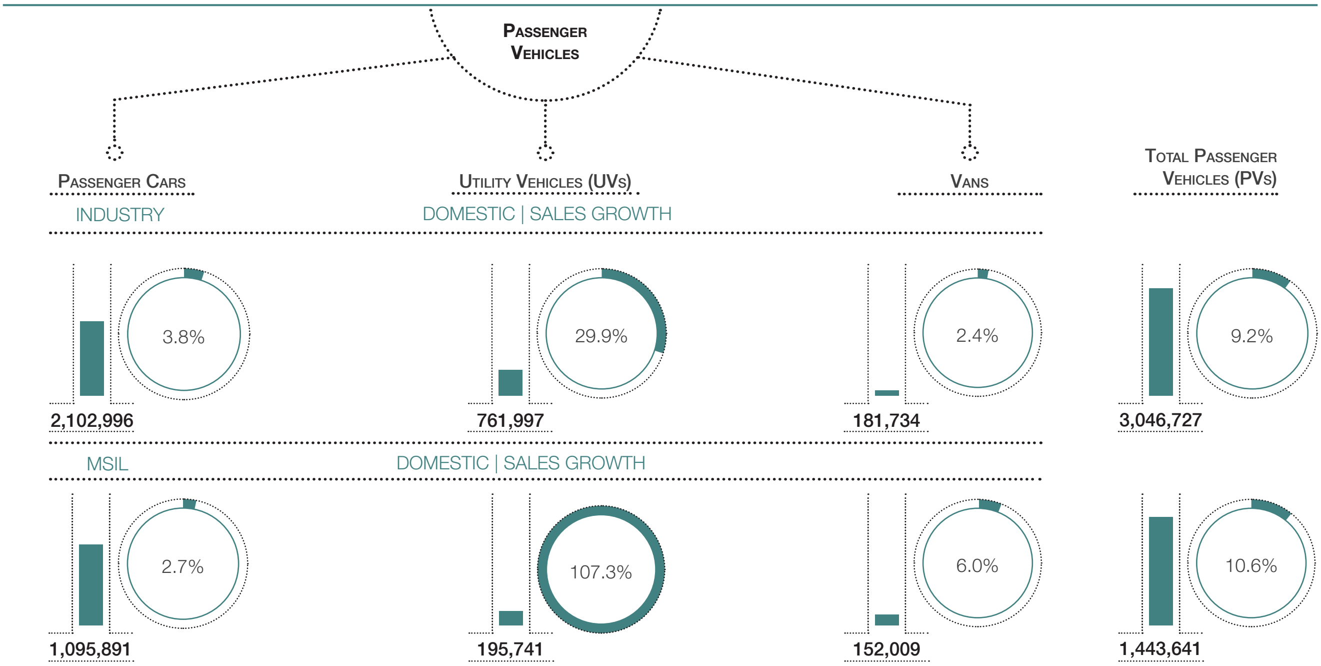
As the price gap between diesel and petrol narrowed, the shift towards petrol models accelerated during the year. The share of diesel vehicles in total industry sales in 2016-17 declined to 40.5%, from 44.1% in 2015-16.

Industry Petrol Diesel Mix (%)



Source: SIAM

The Company's market share in units stood at 47.4%.

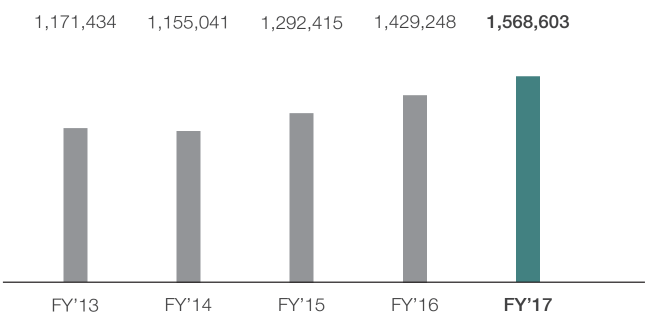


Source: SIAM

The Company's recently launched products, Baleno and Vitara Brezza, continued to receive an unprecedented market response. During the year, the Company stepped up production of these vehicles. However, owing to an overall capacity limitation faced by the Company and select suppliers, customer orders could not be fully serviced and at the end of the year, there was a waiting time of about 22 weeks for Baleno and 21 weeks for Brezza.

Vitara Brezza won over 25 prominent awards from automobile writers and experts, including ICOTY (Indian Car of the Year).

MSIL Sales (Domestic + Exports) (Units)



Source: Company

With three new models – Ignis, Baleno RS and Super Carry - launched in the year, the Company further strengthened its product portfolio and entered new segments. The Company worked extensively on network expansion, both in the existing channel as well as the premium channel, NEXA. The Company also introduced a new channel, Commercial, for light commercial vehicles.

Export markets in Latin America and Africa were impacted by political or economic instability. The drop in these markets was compensated by growth in European markets, supported by new and exciting models.

While the Company's unit sales grew by 9.8%, the net sales increased by 18.5%. This reflected the increase in share of higher segment models in the Company's total sales.

Commercial production of vehicles started in Suzuki Motor Gujarat (SMG) facility in February. The plant has an installed capacity of 250,000 units, and will ramp-up operations gradually. A few suppliers have set-up facilities in Gujarat and many others are in the process of doing so.

The Company recorded its highest ever profit of ₹ 73,377 million, driven by an increase in share of higher segment models, higher non-operating income and material cost reduction initiatives. However, foreign exchange movement and commodity prices were adverse during the year.

Domestic Sales
The Company achieved a volume growth of 10.6% in passenger vehicle segment in the domestic market. The domestic passenger vehicle industry grew by 9.2% during the year. This was the fifth year in a row that the Company outperformed the industry.

Four of the five best-selling models in India were from Maruti Suzuki: Alto, Swift DZire, WagonR and Swift.

The Company posted strong performance across segments and was the leader in almost all the segments in which it is present.

Vitara Brezza and Ertiga helped the Company increase its market share in the industry's fastest growing Utility Vehicles (UV) segment to 25.7%, up by 9.6 percentage points. Market share in the Vans segment strengthened on the back of good performance of both Omni and EECO.

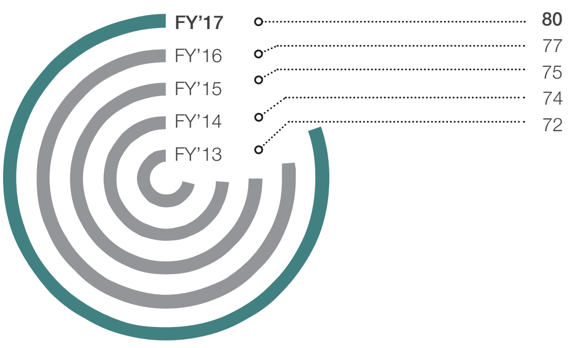
The Company's mid-sized sedan, Ciaz continued to be popular and achieved segment leadership during the year, growing by 18.8%.

The Company posted a 9.4% growth in the sale of its petrol vehicles. While the growth in sale of diesel vehicles for the industry remained flat, the Company was able to achieve a 13.6% growth and improve market share in the diesel segment by 4.2 percentage points. This was powered by the popularity of Vitara Brezza, S-Cross and smart hybrids of Ciaz and Ertiga.

Both urban and non-urban markets saw good demand during the year. After two successive years of drought-like situation, a normal monsoon during the year helped revive demand and achieve a healthy growth in non-urban sales.

The share of vehicles bought on loan was 79.8%, the highest in the last 10 years.

MSIL Finance Penetration (% of Domestic Sales)



Source: Company

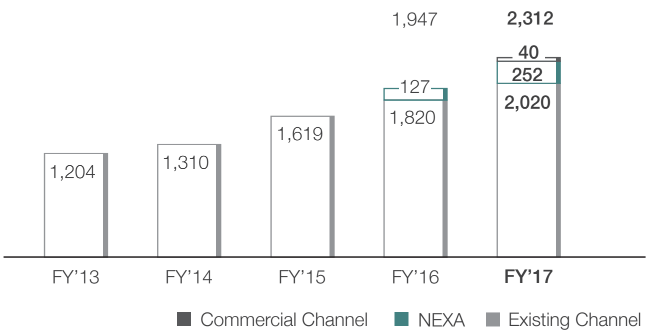
The Company's sales to fleet operators stood at 83,346 units, a growth of 34% on the back of good demand from taxi aggregators.

The new retail channel, NEXA, launched in July 2015 to offer a premium car buying and ownership experience, has helped attract new categories of customers to the Company. Nexa has grown rapidly to 252 outlets and sold over 225,000 vehicles so far.

The Commercial channel, started with the launch of Super Carry in September, had reached 40 outlets by the end of the year.

The Company also expanded the number and reach of the existing sales channel taking the total network strength to 2,312 by the end of the year.

MSIL Sales Network



Source: Company

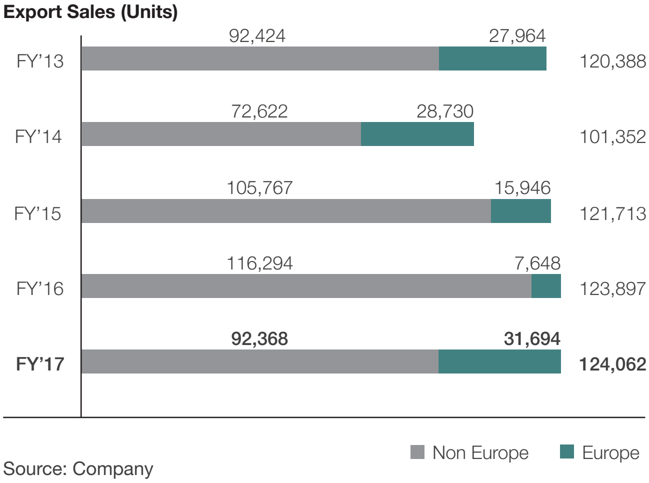
Several customer-connect initiatives in the field helped sales growth, especially in the period immediately after demonetisation was announced in November. The field teams re-aligned sales and marketing efforts to resolve pain points of customers. Attractive finance schemes were introduced. Point-of-sale terminals were made available across sales and service outlets, and among spares parts distributors. This helped arrest any decline in sales due to non-availability of cash. Focus on the salaried segment customer was enhanced. All these efforts helped restore consumer demand within weeks and ensured robust retail sales in December.

Parts and Accessories
The Part and Accessories business registered a growth of 17.7% during the year. To offer a differentiated experience to the customer, the Company introduced a vehicle personalisation initiative, "i Create", enabling customers several attractive alternatives to personalise their cars. This initiative has been launched first in Vitara Brezza.

Exports
During the year, the Company achieved the milestone of cumulative exports of 1.5 million units.

The Company sold 124,062 units in export markets. Nearly 74.4% sales were to non-European markets. New models including Baleno, S-Cross, Ignis and Super Carry were added to the portfolio. Chile was the top export market for the Company. Baleno contributed 39.7% to overall export sales, taking the contribution of European markets to 35.6%, compared to 6.2% last year.

Export Sales (Units)



Source: Company

Fluctuations in local currencies had an adverse impact on the Company's volumes in certain markets of the Middle East, Africa and Latin America. But this was offset by the positive response in other markets.

Service

For a record 17th year in a row, the Company's after sales service was ranked first among all car brands in the country. High customer satisfaction with after-sales service has been contributing to high referral and repurchase of new vehicles among customers.

To scale up the service operation, improve productivity and take after sales service closer to the customer, Maruti Suzuki took a number of initiatives along with service network expansion. The Company added 215 new dealer workshops during the year, taking the network to 3,200 workshops across 1,556 cities. In addition, a fleet of 1,423 Maruti Mobile Support vehicles offered doorstep car service and maintenance to over 94,000 customers on an average every month. In all, about 14.46 lakh customers were provided after sales service every month, on an average.

Further, the Company and its dealers conducted nearly 19,662 service camps across India, touching nearly 7.09 lakh customers.

The Company expanded the number of "Express Bays" which offer the facility of faster service and early delivery of vehicles. At the end of the year, 1,659 workshops were operating 7 days a week; 930 workshops for more than 12 hours a day while 76 workshops were operating on a two-shift basis.

The Company introduced an environment-friendly "Paintless Dent Removal System" at 500 workshops to repair minor dents without stripping the paint. Automatic and dry washing systems were introduced at more workshops to reduce consumption of water during car washing.

Operations

Rising demand for certain models including Vitara Brezza and Baleno required the Company to manufacture beyond planned capacity. The positive market response to dual-tone models also required innovations at the shop floor to meet customer demand. To ensure that the higher demand was met while retaining quality, a number of process improvements and innovations were carried out while enhancing productivity. Against the combined annual production capacity of about 1.5 million units in the Gurugram and Manesar facilities, the Company was able to manufacture 1.58 million units during the year. This is the highest ever annual production by the Company.

The Company further leveraged technology to enhance quality. Use of accurate tools like auto torque control and auto shut-off tools was introduced.

To reduce wastage and bring down the cost of operations, the Company undertook cost-effective automation in-house, steps to minimise fuel cost, identifying more cost-effective sources for material and improving yield from material led to savings.

The employees' suggestion scheme, "Sujhav Sangrehika", contributed new ideas for efficiency and cost optimisation. During the year, 737,518 suggestions were generated, resulting in a saving of ₹ 1,788 million.

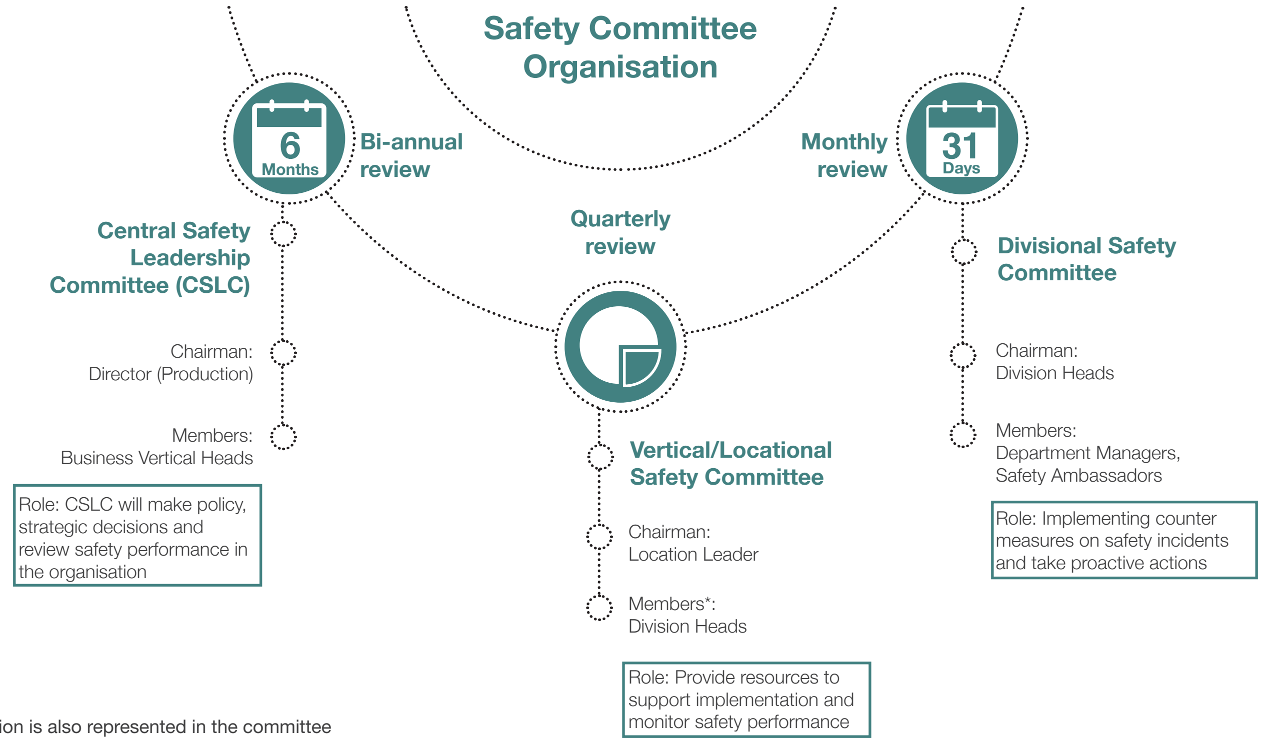
Safety

Safety is a highly critical area and is being addressed through a robust methodology.

The Company's philosophy on safety is articulated through three principles

- Make safety the first priority
- All accidents are preventable
- Safety is everyone's responsibility

To take these to every shop floor and every part of the operations and translate them into results, the Company has a 3-tier organisation structure. This 3-tier committee is facilitated by a dedicated safety department headed by a senior official directly reporting to the MD & CEO.



*Union is also represented in the committee

While the safety of in-house operations is important, it also needs to be extended to our entire value chain. During the year, the Company witnessed two major incidents of fire at its supplier plants causing disruption. Following these incidents, the Company launched a safety assessment of all its vendors with a special focus on fire safety. Manufacturing plants of suppliers were assessed and time-bound action plans were devised. Many suppliers have already implemented the countermeasures and the Company is now auditing implementation of these measures.

Energy Conservation and Environment Sensitivity

With sustained efforts, the Company brought down energy cost by ₹ 205 million in in-house manufacturing operations. To enhance rainwater harvesting, 40 new recharge wells were built, 3400 m^2 buildings were demolished and 15,343 m^2 of green area was added. A separate section, “Business Responsibility Report” in this annual report presents a detailed account of the Company’s performance in the environment and social areas.

Logistics

For outbound logistics, the Company primarily uses roads. During the year, steps were taken to increase the share of railways in the medium term. The Company worked with Indian Railways to bring down transportation time substantially. The Company has also started utilising railways to transport vehicles to the North-East region.

The Company undertook a pilot project, in partnership with Ministry of Road Transport (MoRTH) to transport vehicles using inland waterways.

Quality of Business

While Quality has always been an important pillar of success for the Company, there is renewed emphasis in recent years. The Company recognises that enhancing the “Quality of Business” across the value chain is critical to sustain leadership in the future. With customer expectations moving up, and the Company making efforts to reach out to new categories of customers in higher segments, it is imperative to enhance quality of products besides ensuring high levels of customer experience.

Keeping this in view, the Company has outlined a path to “Zero-defect”. At the core of it lies the focus on quality from product design to customer interface at the sales and service network. Enhancing operations on the shop-floors and strengthening capability of suppliers are integral to this effort.

The Company has made design standards more stringent in recent years, leading to superior build quality. Product design takes into account requirements of defect free manufacturability, arrived at through digital simulation. World-class R&D infrastructure at Rohtak for development and testing of products helps ensure that global quality is inbuilt in all progressive stages of vehicle development.

Given the continuous focus on quality, the Company has emerged as the manufacturing base for global models being sold in domestic as well as sophisticated markets across the globe. With the growing scale and the Company aiming for sales volume of 2 million and beyond, the value chain will have to consistently support world-class quality at high volumes.

The Company has partnered with suppliers to upgrade their systems to deliver high-quality parts consistently at higher volumes.

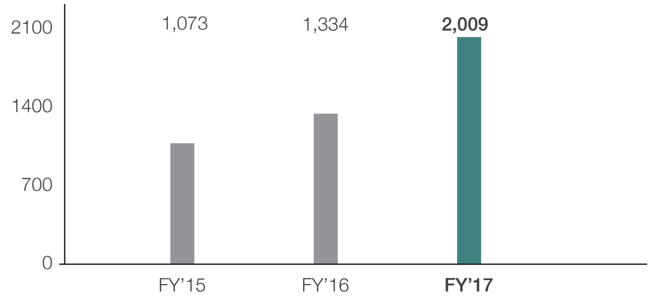
Many IT enabled systems have been deployed across the supply chain to ensure mistake-proof processes in the manufacturing lines. At shop-floors, systems and process have been altered with changing requirements.

People development for Quality

Recognising the crucial role of people in ensuring consistently high quality, regular training programmes are undertaken to ensure skill upgradation and high orientation to implement global quality standards. Wherever required, external institutions are invited for specialised training requirements.

The Company supported its suppliers in improving the skill levels of their shop-floor operators by training over 2,000 supplier personnel. Through these trainings, the Company is ensuring that the best practices available at its own facilities are deployed at suppliers' locations as well. Focus now is on making the supplier self-sufficient in developing its fresh manpower and in upgrading skills of its existing people. Accordingly, the Company is guiding suppliers in setting up off-line simulation training centers (Dojo Centres) at their locations. In the last 2 years, such training centres are established at 56 supplier locations.

Supplier Personnels



Source: Company

Besides developing capability of human resource of suppliers, the health of tools, dies and welding jigs are also critical for quality. Manuals for maintenance of moulds and dies were created and shared with suppliers. Implementation of best practices as per these manuals is being done at plastic-molders and sheet-metal suppliers leading to significant improvements in these areas.

There is an emphasis on improving the quality of special manufacturing processes like Plating and Heat treatment. Best practices on processes and Quality management system are being implemented at the suppliers' end. The Company has also developed tier-II suppliers in areas of plating and heat treatment.

To cater to global market regulations and the upcoming Recall Policy in the domestic market, the Company is continuously working to reduce problem resolution time for defects reported from customers. Also, continuous effort is being made to reduce customer complaints.

Supply Chain

As part of its efforts to strengthen supplier capability, the Company undertook a "Comprehensive Vendor Assessment Programme" to study and improve weak areas of suppliers. Suppliers are evaluated on nine parameters comprising Quality, Safety, Financial, HR and top management's focus on Quality and Safety. In all, 69 suppliers were assessed during the year. Time-bound action plans for improvement are being finalised and monitored.

The Company continued its efforts for higher localisation of parts, yield improvement and thereby cost optimisation through various value analysis/value engineering projects. With commodity prices firming up during the year, the Company tried to limit the cost impact through better negotiation and hedging.

The Company is committed to procuring 'Green Products' from 'Green Suppliers'. The Company revised its Green Procurement Guidelines and suppliers were trained. The Company supports its tier-I suppliers for obtaining ISO14001 certification. The number of suppliers having obtained this certification reached 86% during the year.

Human Resources

Since employees are the greatest asset of the Company, it always strives to create a conducive work environment for employees so that they perform well, grow in their career and at the same time, enhance their learning and further build on their capabilities. The Company's HR policies and a large number of programmes and forums are oriented to ensure employee growth and overall well-being.

Communication with employees is a special thrust area. There is a calendar of regular interactive meetings between the Managing Director and employees across all levels and at all locations. For grievance redressal, dedicated help-desks and various interactive forums have been set up to ensure timely action.

For a healthy work-life balance of employees, the Company switched to a 5-day working week across locations for non-production areas.

For greater connect with employees and their families, the Company has created various avenues like Parivar Milan, Diwali Mela and Family Day. In order to augment the overall health and wellness index of the organisation, regular health check-ups and health awareness sessions are conducted.

For maintaining high standards of professionalism and corporate governance, MSIL has a “Code of Business Conduct and Ethics” (COBCE) in place for all employees to follow.

The Company is making conscious efforts to promote gender diversity. Various welfare initiatives have been undertaken to motivate our current and prospective women employees.

The Company provides an opportunity for capability building, skill and knowledge enhancement. The Company has tied up with engineering institutions. Shop floor employees who are I.T.I. pass-outs can pursue a diploma in engineering. Those with a diploma in engineering can pursue a degree. Such employees are facilitated by the Company with funds and spare time, besides offering fresh opportunities for career progression.

The Company has a dedicated “Maruti Suzuki Training Academy” (MSTA) for continuous skill and capability development of human resource of the Company and of its business associates, and to also create a talent pool for the industry.

In 2016-17 around 11,000 employees have undergone a total of 600,000 hours of training (75,000 man-days) at MSTA.

Research and Development

The Company's constant endeavour is to meet customer's expectations and delight them with exciting offerings. The success of recent launches is a testimony to our efforts to understand consumers’ psyche and address their stated and unstated desires. The year witnessed continued progress on product development, launch of vehicles in new segments, pioneering of new technologies and disciplined focus on cost efficiency.

The launch of Ignis marked the Company's entry into a new segment of feature-rich "Premium Urban Compact" vehicles. Ignis is built on a new generation A-platform (5th generation), which is lightweight yet rigid, embodying Suzuki Total Effective Control Technology (TECT) for enhanced occupant protection. It is the first vehicle in the portfolio to be equipped with two-pedal Automatic Manual Transmission in both petrol and diesel variants along with the extension of smartphone connectivity using Android Auto in addition to Apple CarPlay.

With Baleno RS, the Company forayed into the high-performance segment on the back of a new 1.0L Booster Jet DiTC engine capable of producing higher power and torque for a wide range of engine RPM, enabling a superior ride experience from city rides to highway driving.

The Super Carry, which marked Company’s entry into light commercial vehicle segment, is designed and developed after detailed research and understanding of customer requirements. It is rich with appropriate features and high on safety.

The R&D centre at Rohtak is playing a pivotal role in augmenting the vehicle design and development capability of the Company. This center is now an integrated facility with 33 different test tracks, passive safety lab and NVH testing, among others, which helps the Company to a greater extent to conceptualise, design and develop a new product and upgrade existing portfolio at a faster pace. It also helps in testing and validating products to meet regulations.

Vitara Brezza is the first model to be certified in India for frontal-offset and side-impact. Five additional models have been certified for safety regulation well in advance of the regulatory timeline. Moreover, various models were made compliant with new regulations like Mechanical Anti-Theft Device, Immobiliser and Speed Limiting Device.

The work on advanced projects is being taken up in full stream, in line with global trends for future readiness, with various technology partners to bring new technologies into our future offerings.

Going forward, the intent is to develop vehicles for Suzuki's global markets as well.

Financial Performance

The Company registered Net Sales of ₹ 669,094 million and Profit after Tax of ₹ 73,377 million, a growth of 36.79% over the previous year.

Abridged profit and loss account for 2016-17 (₹ million)

	Parameters	2016-17	2015-16	Change
1	Volume (Nos.)			
	Domestic	1,444,541	1,305,351	
	Export	124,062	123,897	
	Total	**1,568,603**	**1,429,248**	9.8%
2	Gross sale of products	761,408	639,577	
	Vehicles	696,253	583,858	
	Spare parts/ dies & moulds/ components	65,155	55,719	
3	Excise duty	92,314	75,165	
4	Net sales	669,094	564,412	
5	Other operating revenue	11,254	10,969	
6	Other income	22,798	14,610	
7	**Total revenue**	**703,146**	**589,991**	19.2%
8	Consumption of raw materials, components & traded goods	466,280	386,372	
9	Employee benefit expenses	23,310	19,788	
10	Finance costs	894	815	
11	Depreciation and amortisation	26,021	28,202	
12	Other expenses	87,228	80,377	
13	**Total expenses**	**603,733**	**515,554**	17.1%
14	**Profit before tax**	**99,413**	**74,437**	33.5%
15	Current tax (Net of MAT credit availed)	23,317	20,414	
16	Deferred tax	2,719	380	
17	**Profit after tax**	**73,377**	**53,643**	36.8%

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

Parameters	2016-17	2015-16	Change
Material cost	69.7%	68.5%	(1.2)
Employee benefit expenses	3.5%	3.5%	-
Depreciation and amortisation	3.9%	5.0%	1.1
Other expenses	13.0%	14.2%	1.2
Profit before tax	14.9%	13.2%	1.7
Profit after tax	11.0%	9.5%	1.5

Treasury Operations

The Company has efficiently managed its surplus funds through careful treasury operations. The guiding principle of the Company's treasury investments is safety and prudence. In view of this, the Company invested its surplus funds in debt schemes of mutual funds. This has enabled the Company to earn reasonable and stable returns.

Table 3 lists the investment of surplus funds while Table 4 lists the return on these surplus funds.

Table 3: Investment of surplus funds (₹ million)

	31-03-17	31-03-16
Debt Mutual Fund	**273,658**	**193,048**

Table 4: Income from investment of surplus fund (₹ million)

	2016-17	2015-16
Interest on fixed deposits	12	-
Net gain on sale of investment in debt mutual funds	612	974
Fair value gain on investment in debt mutual funds	21,203	12,019
Total	**21,827**	**12,993**

Foreign exchange risk management

The Company is exposed to the risks associated with fluctuations in foreign exchange rates mainly on import of components, raw materials, royalty payment and export of vehicles. The Company has a well-structured exchange risk management policy. The Company manages its exchange risk by using appropriate hedge instruments depending on market conditions and the view on currency.

Internal controls and adequacy

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

Information Technology

The focus of IT is on leveraging technology to improve business process efficiency, enable faster decision-making by providing tools for real-time monitoring of key performance indicators and safeguarding of IT assets.

The Company has developed a mobile app based solution for the sales workforce to key-in inputs related to their tasks on a real-time basis. This is a major step up from sales and service executives having to note down customer interaction details on a piece of paper and key them into the IT system at a later stage. This has led to significant efficiency improvement. This also enables better monitoring of performance on a real-time basis and timely course correction.

The Company has provided technical support to Suzuki Motor Gujarat in establishing the required IT Infrastructure and ensuring integration of all business processes.

Taking cognisance of the ever-growing cyber security risks, a cyber-security assessment based on NIST (National Institute of Standards and Technology) framework has been done for the Company's critical IT infrastructure to identify and manage Cyber-security risks.

Realty acquisition

The Company is committed to provide better convenience to customers and believes that a wide and deep network for sales as well as post sales service is critical. The Company's effort to expand network faces a risk from higher land prices and increasing rentals in the future, including locations where the network is already present. To de-risk its future network expansion, the Company has been identifying land in prominent as well as upcoming locations for expansion of sales and service outlets.

For this, a separate Realty business function has been set up and specialised professionals from the realty sector have been inducted. The acquired land will be allocated to dealers on a reasonable long-term lease. During the year, 77 land parcels were identified and these are currently under various stages of the commercial and regulatory approval process.

Risk Management

On the advice of Risk Management Committee, the Company reviewed its risk library. One of the risks the Company identified is the risk of inadequate management of knowledge. The Company generates critical knowledge as part of its operation and its people possess valuable experience. The Company views this knowledge as a big source of competitive advantage in the future. The Company is working on further enhancing the knowledge management system. Another risk is that being in a market leadership position, the Company may be unable to sense fast changing business circumstances in time and not align its systems and processes to changing customer expectations. The Company is identifying measures to ensure that it can regularly anticipate and respond to changing customer expectations. The third risk is of natural and man-made disasters disrupting operations. The Company has learnt the effective ways to mitigate this risk, including from the parent company, and is implementing the countermeasures.

Outlook

With increased political stability, government's focus on manufacturing and infrastructure development, lower interest rates, lower fuel prices, increasing consumption and reforms like GST, there is optimism with regard to economic growth. Although there are risks in the form of a below normal monsoon or a rise in inflation, it is widely expected that the economy will support growth of the automobile industry. The Company will make efforts to achieve double-digit growth in 2017-18 as well, on the back of a strong product portfolio, enhanced brand image, increased capacity with the start of SMG operations in Gujarat and further strengthening of the network. The Company is on course to achieve its goal of 2 million vehicle sales by the year 2020.

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 trends in the domestic auto industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

Business Responsibility Report

Section A

Sl. No.	General information about the Company	Details
1	Corporate Identity Number (CIN) of the Company	L34103DL1981PLC011375
2	Name of the Company	Maruti Suzuki India Limited
3	Registered address	1, Nelson Mandela Road, Vasant Kunj, New Delhi-110070
4	Website	www.marutisuzuki.com
5	E-mail id	investor@maruti.co.in
6	Financial year reported	2016-17
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Automobile
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Passenger cars, Multi Utility Vehicles (MUV) and Multi-Purpose Vehicles (MPV)
9	Total number of locations where business activity is undertaken by the Company i. Number of international locations (Provide details of major 5) ii. Number of National Locations	Nil • 2 Manufacturing facilities at Gurugram and Manesar in Haryana, India • 1 Research & Development (R&D) facility at Rohtak in Haryana, India • 1 Sales & Distribution (S&D) Facility at Hansalpur in Gujarat, India • 1 Sales & Service Facility at Naraina, New Delhi, India • Head Office in New Delhi, India • Regional offices, Area Offices and Zonal Offices across India
10	Markets served by the Company – Local/ State/ National/ International	Domestic: Across India International: Europe, Africa, Asia, Oceania and Latin America

Section B

Sl. No.	Financial details of the Company	Details
1	Paid up capital (₹ million)	1,510
2	Total turnover (₹ million)	680,348
3	Total profit after taxes (₹ million)	73,377
4	Total Corporate Social Responsibility (CSR) spend (₹ million)	894.5
5	Total spending on CSR as percentage of profit after tax (%)	1.22%
6	Total spending on CSR as percentage of average net profit of the previous three years as per Companies Act 2013 (%)	2%
7	List of activities in which expenditure in 4 above has been incurred	• Community development • Skill development • Road safety

Section C

Sl. No.	Other details	Details
1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D: Br Information

1. Details of Director/Directors responsible for BR
i. Details of the Director/Director responsible for implementation of the BR policy/policies

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	02262755
2	Name	Mr. Kenichi Ayukawa
3	Designation	Managing Director & CEO

ii. Details of the BR head

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Mr. Kanwaldeep Singh
3	Designation	Sr. Vice President, Corporate Planning
4	Telephone number	011-46781123
5	E-mail id	kanwaldeep.singh@maruti.co.in

2. Principle-wise (as per NVGs) BR Policy/policies
(a) Details of compliance (Reply in Y/N)

Sl. No.	Question	Principle[1] (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	Do you have a policy for	Y	Y	Y	Y	N	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	N	Y	N	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify?	Y ±	Y ±	Y ±	Y ±	N	Y ±	N	Y ±	Y ±
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	N	Y	N	Y	Y

List of Principles
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3: Businesses should promote the wellbeing of all employees
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5: Businesses should respect and promote human rights
Principle 6: Business should respect, protect, and make efforts to restore the environment
Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8: Businesses should support inclusive growth and equitable development
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sl. No.	Question	Principle[1] (Yes/No)								
		1	2	3	4	5	6	7	8	9
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	N	Y	Y	N	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online?	Y **	Y *	Y **	Y *	N	Y **	N	Y **	Y *
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	N	Y	N	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	N	Y	N	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y +	Y	Y +	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	Y	N	Y	Y

± Policies have been formulated over time taking into consideration national environmental & safety norms for vehicles, and international standards such as Global Reporting Initiative Framework, ISO standards on Quality & Environmental Management Systems, British Standard for Occupational Health & Safety, and ILO Standards on labour practices.
* Policies available on internal portal which are accessible only to employees
** Policies available on Company website - http://www.marutisuzuki.com/code-of-conduct.aspx; http://www.marutisuzuki.com/code-of-conduct.aspx
+ Although standalone policies are currently not in place, grievance redressal mechanism is in place to address stakeholder concerns regarding human rights and policy advocacy.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Question	Principle (Yes/No)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	*	-	**	-	-

* The Company does not have a standalone Human Rights policy. Aspects of human rights, such as child labour, occupational health and safety and non-discrimination are covered in its various Human Resource policies.
** The Company does not have a standalone advocacy policy. For advocacy on policies related to the automobile industry, the Company engages with industry associations and expert agencies.

3. Governance related to BR

i. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Managing Director and top management reviews BR performance of the Company through weekly Business Review Meetings (BRM). BRM process is a part of ISO 9001:2015 framework and is periodically audited by an external agency.

In addition, the CSR Committee of the Board reviews the CSR activities of the Company as per provisions of the Companies Act 2013.

ii. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has integrated its Sustainability Report with the Annual Report since the financial year 2015-16. The Sustainability Report for the year 2016-17 is therefore a part of Annual Report.

Section E: Principle wise Performance

Principle 1: Businesses Should Conduct and Govern Themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the

Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?
The Company's Code of Business Conduct & Ethics addresses compliance with internal standards of business conduct and ethics, as well as regulatory requirements. The Company's Whistle Blower Policy encourages employees to bring instances of unethical behaviour to the knowledge of the management. The Code does not apply to joint ventures, suppliers and contractors of the Company as they are independent entities.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**
Under the Whistle Blower Policy, three complaints received during 2015-16 and four complaints received during 2016-17 were investigated and disposed off.

Two complaints were received related to sexual harassment within the Company. One complaint was investigated and closed by the Internal Complaints Committee. The second complaint, received in March 2017, is under investigation.

Principle 2: Businesses Should Provide Goods and Services That are Safe and Contribute to Sustainability Throughout Their Life Cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**
The Company strives to increase the fuel efficiency of its cars, resulting in lower emissions. Five vehicle models Ignis, S-Cross, Baleno, Ertiga and Ciaz are already compliant with the safety norms mandated by the Government of India, ahead of specified timeline. Details on two of our latest products are given below.

Ignis - Ignis is built on a new generation rigid platform embodying Suzuki Total Effective Control Technology (TECT) for occupant protection. It is compliant to pedestrian safety, side-impact and offset crash regulations. Additional safety features in the car include dual airbags, Anti-lock Braking System (ABS) with Electronic Brakeforce Distribution (EBD), and ISOFIX Anchorage (a child seat restraint system). It has fuel efficiency of 20.89 kmpl in petrol and 26.80 kmpl in diesel variant.

Baleno RS - Baleno RS has been provided with Boosterjet, a performance oriented technology. Its direct-injection system allows enhanced control over fuel injection directly into the combustion chamber, resulting in better engine performance and lesser CO_2 emissions. It is compliant to future regulations on pedestrian safety, side impact and offset crash. Advanced safety features include dual airbags, ISOFIX Anchorage, seatbelts with pre-tensioners and force limiters, disc brakes in all wheels coupled with ABS and EBD, and driver seat belt reminder buzzer.

The Company also promotes resource efficiency in its service operations through initiatives such as automated oil management system, paint-less dent repair system, automatic car washing system, dry wash systems and replacement of paper job cards with digital job cards. Details are given in the Sustainability report section of this Annual Report.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
Vehicle assembly by the Company is performed on flexible lines with multiple models assembled on single lines. In addition, common infrastructure is used for testing of different models. So, there is practical difficulty in isolating data on resource utilisation for assembly of each model. However, information on resource conservation per vehicle manufactured is covered in Sustainability Report section of this Annual Report.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
The end users of the vehicles produced by the Company are individual customers. Therefore, it is difficult for the Company to determine the reduction in resource consumption during usage of vehicles.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
The Company promotes adoption of Company's Green Procurement Guidelines by tier-I suppliers. The Guidelines require suppliers to mandatorily avoid usage of Substances of Concern in products, establish Environmental Management Systems (EMS) and promote these practices among tier-II suppliers. As on 31st March, 2017, 86% of the tier-I suppliers' facilities had implemented EMS based on ISO 14001 standard.

The Company has adopted the policy of local sourcing of components. As on 31st March 2017, 88% of supplier base by value was located within 100 km radius of the Company's facilities.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

(a) If yes, what steps have been taken to improve their capacity and capability of local and small venders?
The Company works closely with tier-I suppliers to improve their capability through improvements in systems and processes. Supplier upgradation programme was executed through Maruti Centre of Excellence (MACE) to bring

improvement in areas such as quality, productivity, energy, yield improvement etc.

The Company also facilitates upgradation of tier-II suppliers through involvement of tier-I suppliers. Focused engagement was done to develop tier-II suppliers in the areas of special technology such as surface treatment and heat treatment of automotive parts. A best practice manual on above-mentioned areas was circulated among tier-II suppliers for learning and improvement.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**
   The Company ensures that certain streams of metal wastes generated during vehicle manufacturing are recycled to make child parts and ingots. Waste and wastewater generated from manufacturing activities are recycled to the extent possible. Presently, the Company does vehicle scrapping on very low scale inside its factory. The hazardous waste materials generated by the Company during vehicle manufacturing are given to authorised venders either for disposal or recycling. Information on recycling initiatives is given in the Sustainability report section of this Annual Report.

Principle 3: Businesses Should Promote The Wellbeing of all Employees

1. **Please indicate the total number of employees.**
   The Company provides following employee benefits:
   - Regular employees are provided with subsidised meals and all employees with their dependent children/parents are covered under the Company's Hospitalisation policy.
   - Contractual employees are provided with free meals and are covered under Government's ESIC scheme.

   There is a medical center in factory premises for first aid and regular health check-ups of all the employees.

   With recruitment of around 1314 people this year, employee strength reached 14,178 people. The Company has been able to limit attrition to 2.1% in 2016-17.

The manpower break-up as on March 31, 2017 is given below:

Sl. No.	Manpower Category	2014-15	2015-16	2016-17		
				Total	Male	Female
1	**Regular manpower**					
	a) AE (Assistant Engineer) & above	6617	6981	7583	7193	390
	b) Associates/Technician	5354	5553	5699	5681	18
	c) Trainees (includes CTs, JETs, GETs)	814	725	896	842	54
	Total Regular manpower (a+b+c)	**12785**	**13259**	**14178**	**13716**	**462**
2	Apprentice	1164	1276	2548	2548	0
3	Contractual/temporary workers/student trainees*	8527	10626	12643	-	-
	Total manpower	**22476**	**25161**	**29369**	**-**	**-**

*Data on Student Trainees is being additionally reported from reporting period 2016-17.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**
   The total number of contractual/temporary manpower employed as on 31st March, 2017 was 11,573.

3. **Please indicate the number of permanent women employees.**
   The total number of permanent female employees as on 31st March, 2017 was 462.

4. **Please indicate the number of permanent employees with disabilities.**
   The total number of regular employees with disabilities as on 31st March, 2017 was 15.

5. **Do you have an employee association that is recognised by management?**
   The Company has internal and independent labor unions at its manufacturing locations and union elections are held as per statutory requirements. The Company's management officially recognises three employee unions, one each at its Gurugram plant, Manesar Vehicle Manufacturing plant and Manesar Powertrain plant.

6. **What percentage of your permanent employees is members of this recognised employee association?**
   - The Company's unions represent 100 % of workers.
   - There were no grievances on labour practices filed through formal grievance mechanism during the reporting year.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Category	No. of complaints filed during the financial year	No. of complaints pending as on March 31, 2017
Child labour, forced labour and involuntary labour	Nil	Nil
Sexual harassment	Two	One
Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees

(b) Permanent Women Employees

(c) Casual/Temporary/Contractual Employees

(d) Employees with Disabilities

The Company strives to increase the reach of its employee training and capability building programmes. In the reporting period, 85% of the total regular employees were covered.

Category	Man-days per employee	Areas of training
Assistant managers & above (including GETs)	10.54	Presentation, time management, communication, negotiation, business ethics and etiquettes, assertive management, conflict management, safety & leadership
Supervisors & above (including JETs)	5.88	Conflict and anger management, understanding associates, safety, vehicle manufacturing processes, constructive dialogue, team work, subordinate development, mentoring, 5S, 3M, 3G, quality control & 7QC tools
Associates	1.68	Team work, conflict management, self-awareness, MS Office (basic), safety
Man-days per employee (average)	5.90	–

Safety training is an integral part of the new employee induction process. For shop floor workers, periodic safety trainings are organised according to an annual safety calendar.

The Company manages the Maruti Suzuki Training Academy (MSTA) for capability development of its own employees and employees of dealers and suppliers.

Principle 4: Businesses Should Respect the Interests of, and be Responsive Towards all Stakeholders, Especially Those who are Disadvantaged, Vulnerable and Marginalised

1. **Has the Company mapped its internal and external stakeholders? Yes/No**
   Yes, the Company has mapped its internal and external stakeholders.

   Internal stakeholders:
   - Employees and their families
   - Shareholders and investors

   External stakeholders:
   - Customers and their families
   - Dealers, suppliers and other business partners
   - Local community and society
   - Regulatory authorities
   - Environment

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**
   Yes, the Company has identified the vulnerable sections of the local community.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**
   The Company's CSR programmes cover the vulnerable sections of the local community as part of the overall scope.

Principle 5: Businesses Should Respect and Promote Human Rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**
   The Company does not have a standalone Human Rights policy. Aspects of human rights such as child labour, occupational safety, non-discrimination are covered by its various Human Resource policies. These policies cover only the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   The Company did not receive any stakeholder complaint regarding human rights during the reporting period.

Principe 6: Business Should Respect, Protect, and Make Efforts to Restore the Environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**
   Maruti Suzuki has an Environmental Policy that applies to the Company only.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**
   The Company follows its parent company Suzuki Motor Corporation's basic philosophy of "Smaller, Fewer, Lighter, Shorter and Neater", thereby minimising resource use in its products. The focus on weight reduction of vehicles, while enhancing product safety, has not only led to fuel efficiency but also savings of natural resources. Metal scraps generated from manufacturing activities are recycled wherever possible.

   Driven by its commitment towards mitigation of air pollution and climate change, the Company has invested in state-of-the-art facilities for emission testing and evaluation of vehicles as part of its R&D Centre, and continuously builds capability of its engineers in the area. The Company was the first in India to offer factory fitted CNG vehicles to customers. Smart Hybrid (SHVS) technology was introduced in some of the Company's vehicles.

   Details of material recycling and fuel-efficient technologies are described in Sustainability Report section in this Annual Report.

   All vehicles offered by the Company are compliant to European End-of-Life Vehicle (ELV) Directive, which means that vehicles are free from hazardous substances and over 85% materials used can be recycled.

3. **Does the Company identify and assess potential environmental risks? Y/N**
   Through internal processes, potential environmental risks are identified and mitigation activities are planned and implemented.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
   The Company is the first in the Indian automobile sector to register a Clean Development Mechanism (CDM) project with the UNFCCC. The Company's registered CDM projects are:

   i. Waste heat recovery from gas turbines by installing steam turbine generator in Gurugram plant.

   ii. Shifting a part of vehicle transportation from roadways to railways with specially designed railway wagons.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Maruti Suzuki has introduced innovative technologies such as i-GPI CNG engine, Smart Hybrid Vehicle from Suzuki (SHVS), 1.0 litre direct injection turbo engine and Boosterjet in multiple vehicle models for improving the products' energy-efficiency.
   The Company has included solar power as a captive power generation source. Information on energy-efficient vehicle technologies and solar based power generation is included in the Sustainability Report section of this Annual Report.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
   All emissions and waste generated by the Company during the reporting period were within limits prescribed by CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
   As on 31st March 2017, no show cause notice received from SPCB/CPCB are pending.

Principle 7: Businesses When Engaged in Influencing Public and Regulatory Policy, Should Do So In a Responsible Manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
   Major industry bodies and expert agencies with whom Maruti Suzuki engages for policy making activities include Society of Indian Automobile Manufacturers (SIAM), Society for Automotive Fitness and Environment (SAFE), Society of Automotive Engineers (SAE), All India Management Association (AIMA), Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI). National HRD Network (NHRD), Bureau of Indian Standards (BIS) and UN Global Compact India.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
   Maruti Suzuki actively engages with the government through industry associations on future policies, regulations and implementation plans in the areas of emissions, safety, vehicle

scrappage, trade, R&D, electric/ hybrid vehicles and inclusive development. As a member of the UN Global Compact India, the Company participates in dialogue with peers and experts on sustainable business practices.

Principle 8: Businesses Should Support Inclusive Growth and Equitable Development

1. **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
   Yes. Driven by its Corporate Social Responsibility Policy, Maruti Suzuki undertakes a wide range of social projects directed at making a qualitative difference to the lives of rural and semi-urban communities. The Company is focusing on three broad areas of engagement, namely Community Development, Skill Development and Road Safety.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?**
   The Company is directly involved in the needs assessment, design and execution of its projects. Strategic partnerships are forged in areas where the Company requires specialised competencies.

3. **Have you done any impact assessment of your initiative?**
   Third party impact assessments were carried out for projects related to sanitation, education, road safety and skill development.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**
   In 2016-17, the Company has spent ₹ 89.45 crores on CSR activities, which includes ₹ 37.57 crores spent on community development projects. The details of the projects and corresponding investments are given in the Annual Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
   The Company has partnered with local grass root NGOs to engage with communities on regular basis and educate them on adopting and maintaining the assets provided by the Company.

Principe 9: Businesses Should Engage with and Provide Value to Their Customers and Consumers in a Responsible Manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**
   Fourteen percent of the consumer cases that have been filed till date are pending.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**
   The Owner's Manual and Service Booklet is provided to every customer on purchase of vehicle which contains information related to safety, operation and maintenance of the vehicle. Critical information on product usage (e.g. AC gas, tire pressure, brake fluid) is displayed on the labels on the products for information and educational purposes.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**
   No court case has been filed against the Company regarding unfair trade practices or irresponsible advertising against the Company.

   However, one case pertaining to anti-competitive behaviour filed against 17 automobile companies is pending before Hon'ble Delhi High Court. The case was filed before the Competition Commission of India (CCI) under Section 19 of the Competition Act by Shri Shamsher Kataria ("Informant") on January 17, 2012, against some car companies (other than Maruti Suzuki), alleging multiple violations of the provisions of the Competition Act.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**
   The Company regularly engages with customers to get their feedback on products and gauge their satisfaction level. Engagement mechanisms include brand track, customer meets, customer satisfaction feedback, product clinics, mega service camps and free check-up camps.

   The Company has been ranked first in customer satisfaction for a record 17 years in a row in vehicle customer surveys conducted by J D Power.

Sustainability Report

Contents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Sustainability Report

Company Profile

Maruti Suzuki India Limited is the leading passenger vehicle manufacturer in India with 47.4% of domestic market share. The Company was established in 1981 as a joint venture between Government of India and Suzuki Motor Corporation (SMC), Japan. Today, it is SMC's largest subsidiary in terms of volume of production and sales. Suzuki Motor Corporation owns 56.21% equity stake in the Company. The Company is listed on BSE and NSE of India.

Scale of Organisation

The Company's operational structure consists of manufacturing sites at Gurugram and Manesar with an installed capacity of 1.55 million vehicles per year. The Company achieved its highest ever sales of 1,568,603 vehicles in 2016-17. There were no changes in the Company ownership during the year and there was no significant change in the size of the Company during the year.

Facilities in India

Facility	Location
Corporate office	New Delhi
Manufacturing sites	• Gurugram, Haryana • Manesar, Haryana
R&D centre	Rohtak, Haryana
Sales & Distribution Facility	Hansalpur, Gujarat

Offices in India

Office	Existing Channel	New channel (NEXA)
Zonal offices	4	4
Regional offices	18	6
Area offices	20	8

Sales and Service Outlets

Outlet	No. of outlets	No. of cities
Sales	2,020	1,652
NEXA	252	152
True Value	1,184	932
Commercial	40	38
Service	3,305	1,570

Top 5 Countries for Exports

Country	Units exported
Chile	12,931
Indonesia	8,508
Nepal	7,960
Sri Lanka	7,771
Bolivia	5,583

Commitment to External Principles and Initiatives

Management Systems Implemented

S. No.	Management System	Adoption year	Coverage
1	OHSAS 18001	2012	Head Office, Gurugram and Manesar facilities
2	ISO 14001	1999	Gurugram and Manesar facilities
3	ISO 9001	1995	Gurugram and Manesar facilities
4	ISO 27001	2006	Head Office, Zonal Regional, Area Offices, Gurugram and Manesar facilities

Industry Body Memberships

S. No.	CII Committee	Position
1	IT & ITeS and CII National CIO Forum	Member
2	CII National Committee on Bio Energy	Member
3	CII National Committee on Design	Member
4	Regional Committee on CSR, CII Northern Region	Member
5	Committee on Affirmative Action, CII Northern Region	Member

S. No.	SIAM body	Position
1	SIAM	Treasurer
2	National and International Regulation Council	Co-Chairman
3	International Relations and Trade Policy	Co-Chairman
4	Trade Fairs	Co-Chairman
5	Service Heads	Chairman
6	Taxation Procedural	Chairman
7	Finance and Leasing and Insurance	Chairman
8	Human Capital	Co-Chairman
9	Frontier Technology, EV and HEV	Chairman
10	Styling and Design	Co-Chairman
11	Emission and Conservation	Chairman
12	Central Motor Vehicles Rules and Safety	Co-Chairman

Services

Following services are offered to customers in association with the Company's business partners:

Vehicle Servicing

Maruti Finance

True Value

Maruti Genuine Parts

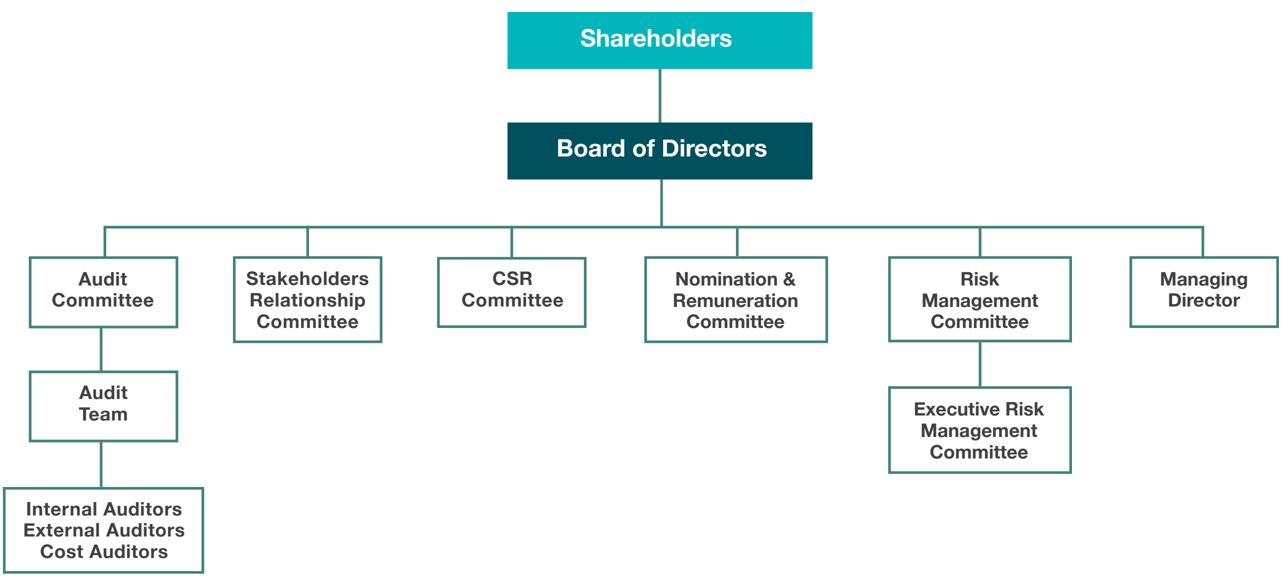
Maruti Genuine Accessories

Maruti Suzuki Auto Card

Maruti Driving School

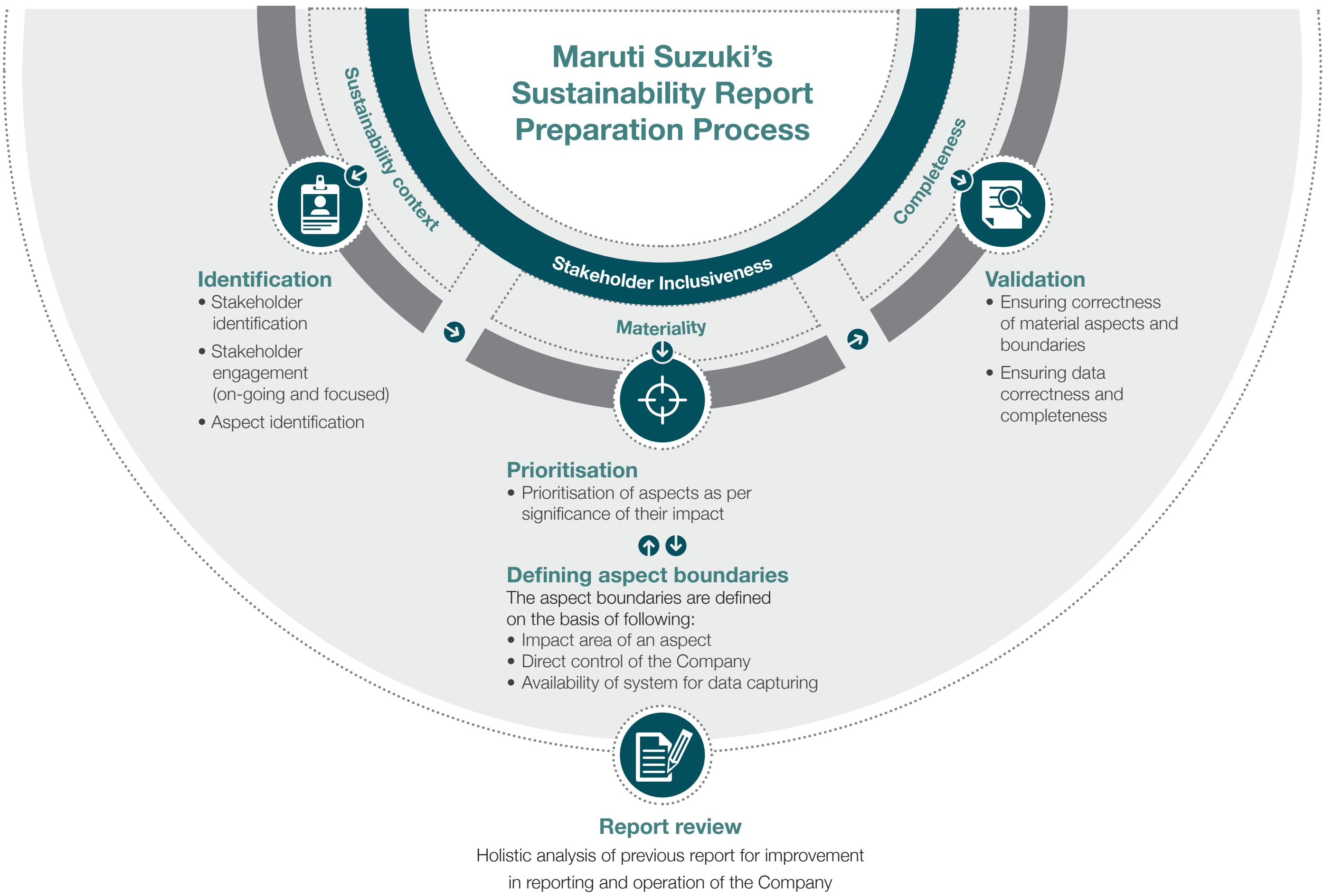
Corporate Governance Structure

The Company is committed to practising good corporate governance and upholding the highest business standards. The Company nurtures a culture which promotes high standards of ethical behaviour, individual accountability and transparent disclosures across its business operations. Robust governance practices have been implemented at all levels of the organisation. The details of governance structure are given under Corporate Governance Report section.



Report Profile

This is the Company's 9th Sustainability Report which is for the period, 1st April, 2016 to 31st March, 2017. This report has been prepared as per GRI G4 guidelines, 'in accordance' with Core reporting option. The Company publishes its Sustainability Report annually and the most recent report was published for year 2015-16. Following process flow describes approach adopted by the Company for defining report content and aspect boundaries for report preparation.



Sustainability Report is assured as per AA 1000 AS (2008) standards (type 2, moderate level) by an independent assurance provider, DNV GL Business Assurance India Pvt. Ltd. There is an internal approval system in the Company for appointment of external assurance provider for Sustainability Report. The assurance statement is given at the end of this section.

Report Scope and Aspect Boundary

There was no significant change from previous reporting period in the Scope and Aspect Boundaries except setting up of a Sales & Distribution facility at Hansalpur, Gujarat. The restated data has been indicated throughout Sustainability Report.

Materiality Matrix

An internal materiality assessment exercise was done for defining content of Sustainability Report. Materiality matrix was jointly created by a cross-functional team with the help of an external sustainability expert. For reporting period, the materiality matrix was reviewed and updated. The identified material aspects are internal and external both.

Material aspects for Maruti Suzuki India Limited

Economic

1	Economic performance
2	Market presence (Wage ratio)
3	Indirect economic impacts
4	Procurement practices

Labour practices and decent work

1	Employment
2	Labour/ management relations
3	Occupational health & safety
4	Training & education
5	Diversity & equal opportunity
6	Equal remuneration for women & men
7	Supplier assessment for labour practices
8	Labour practices grievance mechanisms

Human rights

1	Investment
2	Non-discrimination
3	Freedom of association & collective bargaining
4	Child labour
5	Forced or compulsory labour
6	Security practices
7	Indigenous rights
8	Assessment
9	Supplier human rights assessment
10	Human rights grievance mechanisms

Environment

1	Materials
2	Energy
3	Water
4	Biodiversity
5	Emissions
6	Effluents & waste
7	Products & services
8	Compliance
9	Transport
10	Overall (Environmental expenditure)
11	Supplier environmental assessment
12	Environmental grievance mechanisms

Society

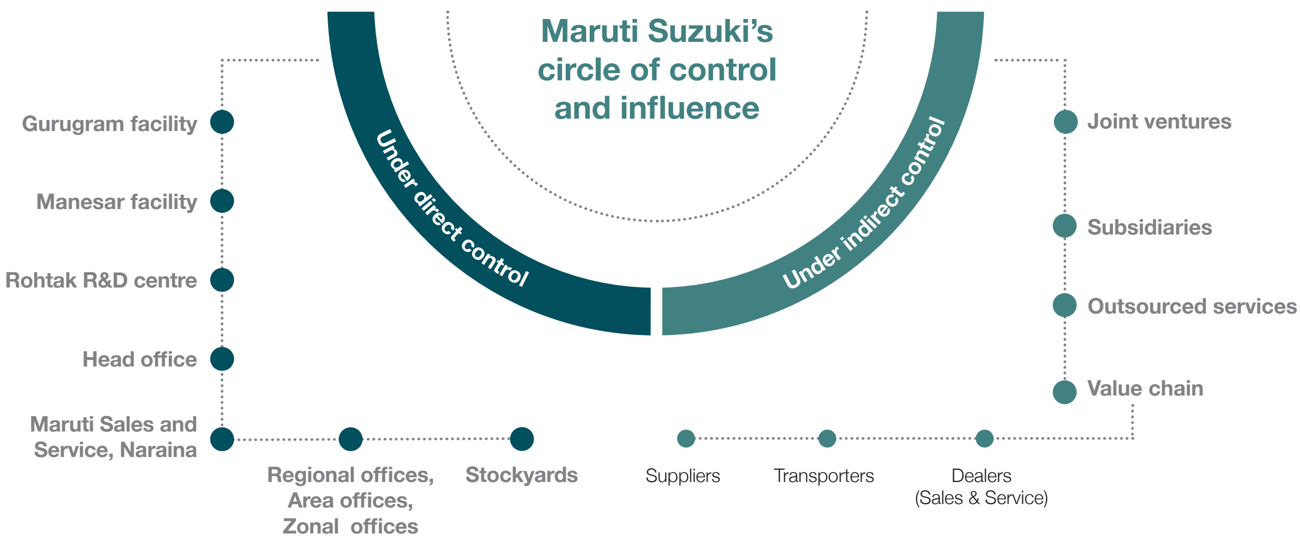
1	Local communities
2	Anti-corruption
3	Public policy
4	Anti-competitive behaviour
5	Compliance
6	Supplier assessment for impacts on society
7	Grievance mechanisms for impacts on society

Product responsibility

1	Customer health & safety
2	Product & service labelling
3	Marketing communications
4	Customer privacy
5	Compliance

Identified Material Aspects and Boundaries

Aspect boundary includes operations and businesses that fall under the direct control of the Company. Subsidiaries, joint ventures and associate companies where the Company has no operational control, have been excluded from report boundary. The Company has identified the boundary for each aspect.



Aspect Boundary for Sustainability Report

Material aspect	Gurugram	Manesar	Rohtak	Head office	Other facility/ office	Supply chain
Economic performance	■	■	■	■	■	
Procurement practices	■	■				■
Materials	■	■				
Energy	■	■	■			
Water	■	■	■			
Emission	■	■	■			
Effluents & waste	■	■	■			
Products & services	■	■	■	■		
Supply chain	■	■	■	■	■	■
Employment	■	■	■	■	■	■
Labour/management relations	■	■				
Training and education	■	■	■	■	■	■
Occupational health & safety	■	■	■	■		
Freedom of association & collective bargaining	■	■				
Child labour	■	■	■			
Forced or compulsory labour	■	■	■			
Local community*	■	■	■			
Customer health & safety	■	■	■			
Marketing communications	■	■	■	■	■	■
Compliance	■	■	■	■	■	■

*Includes Gujarat (Sales & Distribution) facility

Risk Management

Risk management process of the Company is driven by the Risk Management Committee, which is an integral part of corporate governance structure. The committee monitors and reviews risk management plan of the Company as per requirements of Companies Act, 2013. The Company has a Risk Management Policy approved by the Board. The Risk Management process consists of an Enterprise Risk Management Committee. The process contains periodic identification of risks through stakeholder interviews, workshops and surveys, and their mitigation. Further, ownership of each risk is taken by respective verticals followed by mitigation plan and implementation.

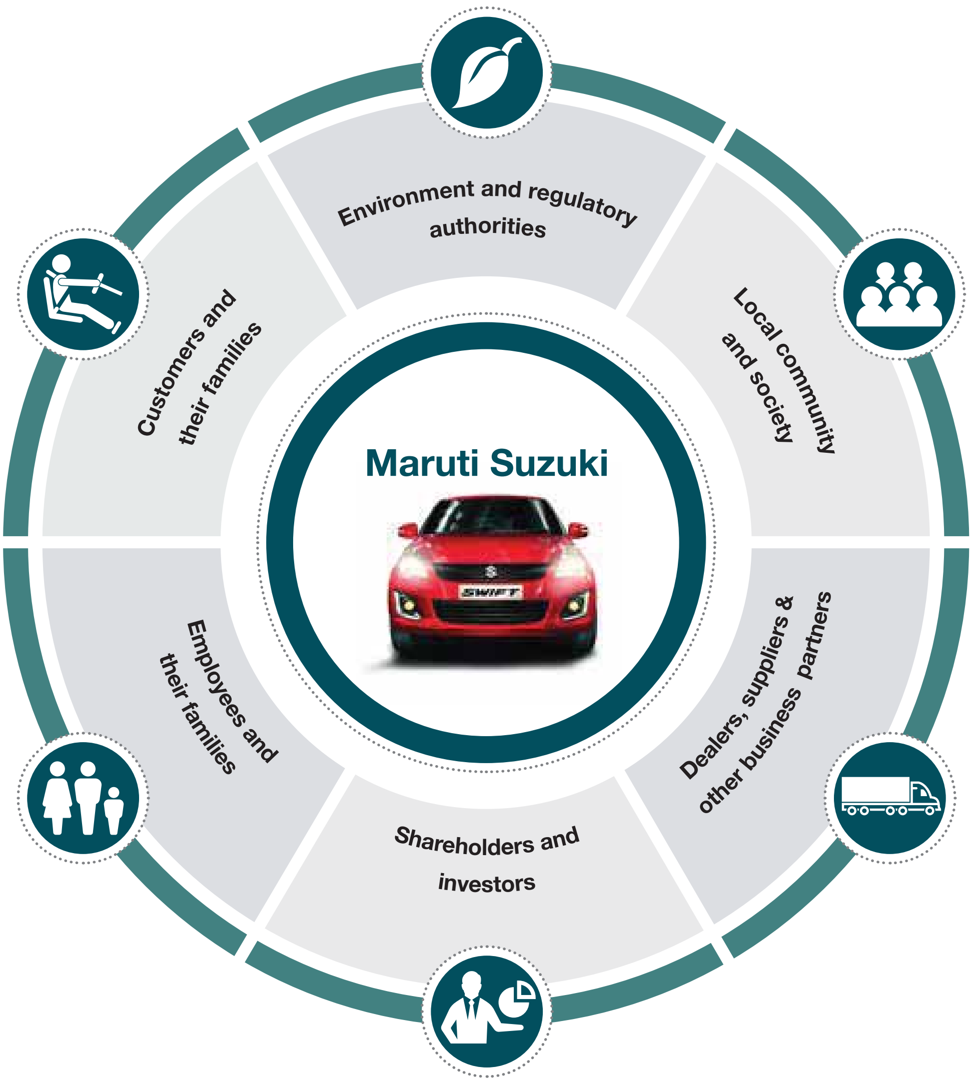
Identified Risk	Mitigation Strategy
Unfavourable economic conditions	• High focus on exchange sales, flexible manufacturing to manage demand fluctuations, expansion of sales and service network • Focus on semi-urban and rural markets
Regulatory changes	• Expansion of R&D capabilities, incorporation of advance safety features • Designing vehicles with low carbon emission and high fuel efficiency
Competition and changing of customer preferences	• Diversification of product portfolio, enhancement of vehicle performance • Strengthening after sales service and attractive vehicle pricing • Introduction of advance technologies to ensure safety, lesser fuel consumption, lower carbon emissions and use of recyclable material in manufacturing
Talent migration	• Employee motivation, career growth, high focus on training and development • Employee satisfaction survey and action on the outcome of the survey • Regular engagement with workers and ensuring safe working environment • Direct communication between top management and workers
High level of dependency on value chain	• Suppliers' capacity building in different areas of business, establishment of supplier base close to manufacturing facilities • Working with transporters on subjects like health and welfare, road safety and driving training for drivers, accident data monitoring, equipping trailers with GPS devices • Dealers' performance monitoring, supporting their financial stability, regular training of sales executives and service technicians
Quality issues	• Fool proofing internal manufacturing systems and processes, undertaking assessment of suppliers' manufacturing processes and capacity building for quality management
Breach of information security	• Creating awareness, strengthening information security systems and vigilance, classification of information, creation of information security champions
Corruption	• Mandatory adherence to code of business conduct by all employees and focus on awareness among middle and senior management
Water scarcity	• Meeting most of the water requirement from canal water, taking up rainwater harvesting, recycling and reuse of water, and system improvement for reducing water consumption
Emissions	• Designing low carbon emitting vehicles, promoting CNG vehicles, undertaking process enhancement and use of solar energy and cleaner fuel for electricity production
Negative social impact	• Planning the Company's operations to minimise disturbance to local communities, assessing Company's impact on society and addressing concerns of local communities

Applying the Precautionary Approach

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

Stakeholder Engagement

Organisations and individuals that are impacted by the Company's operations and those who can potentially impact sustainability and growth of the Company are identified as key stakeholders. Stakeholder engagement is a continuous process and the Company has well established processes for the same. Since, this is a continuous process, engagement happens naturally. The Company engages with entire stakeholder groups during its day-to-day operations, irrespective of significance and size of the group. Engagement approach to address concerns of stakeholder groups is similar to the approach adopted in preceding year. Details can be referred in last year's Sustainability Report.



Economic Performance

Disclosure on Management Approach

In the reporting period, economic performance of the Company continued to attain new heights. This was yet another year of highest ever sales. Further, the Company achieved highest ever annual production of 1.58 million vehicles. Customers' trust in the Company and united efforts of Maruti Suzuki family are primary reasons for this accomplishment.

Huge volume of vehicles produced and sold, make aspects of economic performance and procurement practices material for the Company. For managing economic performance, the Company closely monitors external environment and changing consumer preferences. Based on findings, the Company responds accordingly with its products, expansion of manufacturing facilities, and sales and service network. The suppliers are also advised to build capacities and capabilities to meet current and future business requirements. Further, future plans are made considering long-term interests of the Company and its various stakeholders.

Direct Economic Value Distributed

(₹ million)

Item	2014-15	2015-16	**2016-17**
Employee wages & benefits	16,066	19,887	23,310
Shareholders' fund	237,042	298,842	361,711
CSR spend	372.5	784.6	895

Note: Further details of total revenue, total expenses and profits generated can be found under "Statement of Profit and Loss" in this Annual report.

Maruti Suzuki's contribution to employee benefit plan obligation

(₹ million)

Item	2014-15	2015-16	**2016-17**
Leave encashment/compensated absence	1,830	2,101	2,540
Employees' gratuity fund	1,715	1,967	2,371
Retirement allowance	54	58	66
Provident fund	9,563	11,590	13,938

Source: Note 32 (employee benefit expenses) of standalone accounts of 2014-15, 2015-16 and 2016-17

State of the art technology for manufacturing

Environmental Performance

Disclosure on Management Approach

Maruti Suzuki, as a responsible corporate, has responded to environmental risks and opportunities with initiatives aimed at reducing the environmental footprint of its products and facilities. This approach is driven by the philosophy of 'Smaller, Fewer, Lighter, Shorter and Neater' of the parent Company, Suzuki Motor Corporation (SMC), and the Company's well laid out Environmental Policy.

The nature and enormity of operations make material, energy, water, effluent, waste and emissions as material aspects for the Company. Environmental parameters are regulated by government rules and guidelines. The Company conducts Aspect-Impact Analysis and Environmental Impact Assessment (EIA) to identify and manage potential environmental impacts. The Company avoids adoption of any process, equipment or strategy which can cause environment, health and safety risks. If the risks are inevitable, mitigation plans are prepared and implemented. The Company has dedicated departments to manage different aspects of environmental performance and annual targets for key environmental performance which are set at the beginning of the year.

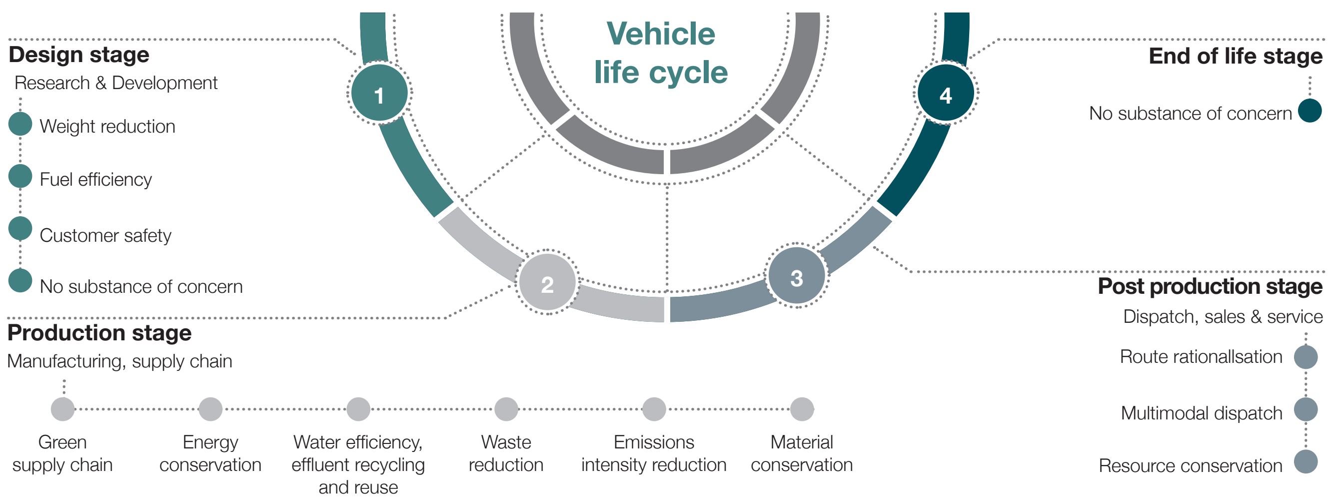
Key environmental risks and opportunities
Maruti Suzuki acknowledges that environmental risks are an integral part of business, and recognises the need to address risks appropriately and leverage opportunities. Key risks and opportunities are mentioned here:

Vehicular emission: Vehicular pollution is a major environmental concern leading to stringent environment regulations by the government. The Company has invested in building R&D capabilities to design and develop environment friendly technologies. The Company has been able to continuously improve fuel efficiency of vehicles and introduce new technologies, such as 'Mild Hybrid: SHVS' and 'Boosterjet'.

Energy efficiency: Automobile manufacturers face the challenge of securing energy from cleaner sources at reasonable cost as compared to more polluting source of energy, such as coal. Recognising the challenge, the Company continues to use energy from cleaner fuel (Natural Gas, LPG/ Propane) and renewable (solar) through in-house generation of electricity. Various initiatives have further brought down 'specific energy ratio' (energy consumption per vehicle manufactured) this year, despite the increase in volume of vehicles produced.

In 2016-17, the Company has continued to focus on incorporating environmental considerations during the different vehicle life cycle stages while preparing for future changes in national policies and regulations, evolving customer requirements and emerging sustainability challenges.

Environmental considerations during vehicle life cycle



In the reporting period, Maruti Suzuki made significant progress in improving the emission and safety performance of its vehicles. The Company's Research & Development (R&D) facility at Rohtak, Haryana, has helped in launching new models and refresh existing ones at a fast pace. The Rohtak facility has state-of-the-art vehicle design, development, testing and evaluation labs, besides unique test tracks that replicate real life terrains. Another critical factor for the Company's success is the capability of the R&D engineers, who have been systematically trained on new product development and technology projects at SMC, Japan.

Maruti Suzuki's innovative R&D efforts over the years have produced fuel-efficient engine technologies such as i-GPI CNG engine, Smart Hybrid Vehicle from Suzuki (SHVS), 1.0 litre direct injection turbo engine and Boosterjet. The global research and development team at SMC and Maruti Suzuki has developed a new 5th generation vehicle platform called Suzuki's Total Effective Control Technology. This has led to development of a portfolio of more fuel efficient vehicles meeting advanced safety norms such as Vitara Brezza and Ignis, leading to enhanced customer satisfaction. The Company is currently gearing up to meet BS-VI vehicle emission norms by the year 2020, as mandated by the government.

Maruti Suzuki's product and services have extensive geographical reach in the country and abroad. This makes customer health and safety and product and services material aspects for the Company. The active and passive safety devices provided in the cars ensure passengers' safety in the event of an accident. The Company continuously improves the products and services to minimise their environmental impact. Maruti Suzuki cars comply with "Bharat Stage IV emission norms". The Company's R&D initiatives help in improving the performance and safety aspects of vehicles based on customers' feedback and new regulations.

763,351

Alternative fuel (LPG, CNG and SHVS) vehicles sold by the Company helped save 696,756 tonnes of CO_2 (tCO_2) emissions.

Maruti Suzuki strengthened the Environment Management Systems (EMS) at its manufacturing facilities for improvement in resource optimisation, emissions reduction and waste management. The Company continued to generate power mainly from captive natural gas and solar plants. There was reduction in energy consumption, fresh water usage and emissions per vehicle manufactured in 2016-17 compared to the previous year. The reliance on scarce groundwater resources was significantly reduced during the year.

Extending responsibility beyond its own facilities to the upward and downward business linkages, the Company continued to encourage and handhold its suppliers, dealers and authorised service workshops to adopt environment-friendly practices.

Maruti Suzuki ensures compliance to applicable legal requirements, including those on environment, occupational health and safety, social responsibility and product responsibility, through an online Legal Management System. The compliance report is submitted to the Board on a quarterly basis. In 2016-17, there were no non-compliances to environmental laws and regulations and no sanctions (monetary and non-monetary) were imposed on the Company by the regulatory authorities.

I. Design Stage: Research & Development

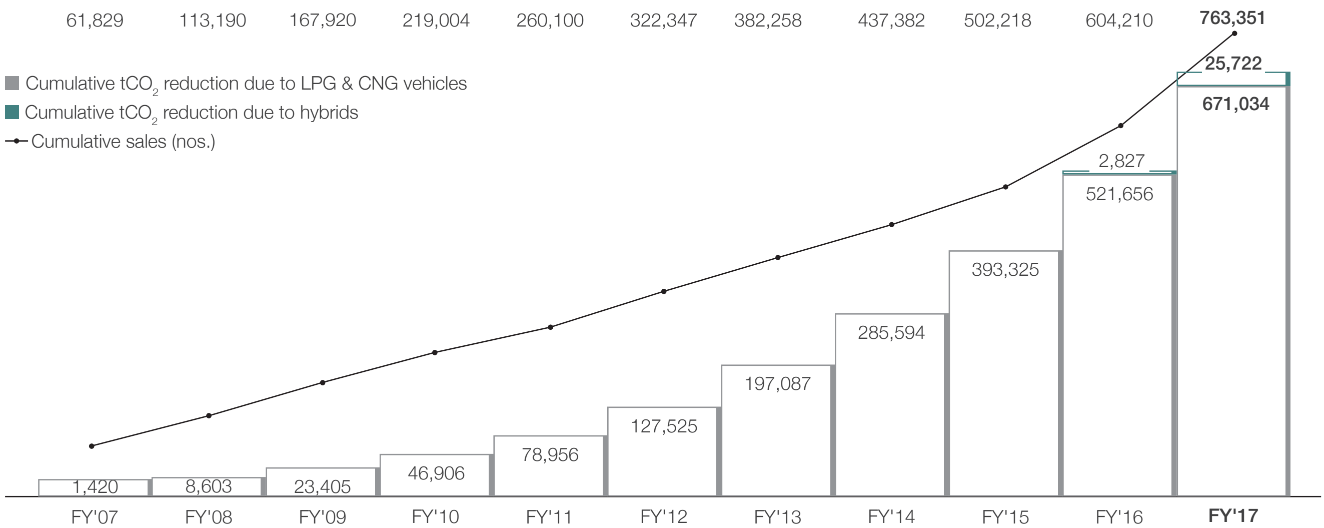
Resource optimisation

The use of Suzuki's Total Effective Control Technology (TECT) in Maruti Suzuki's new vehicle platforms has optimised automotive body structures, thereby leading to pruning of kerb weight. The technology has made the vehicles up to 15% lighter, while also making them stronger and safer. Reduction of weight has increased fuel efficiency and emission performance. Baleno RS and Ignis, built on the TECT platform, were launched in 2016-17. Baleno RS, for example, is nearly 90 kg lighter than a conventional platform and is therefore more fuel efficient. Further, the Company's 'One Gram One Component' weight reduction programme has continued to reduce the raw material used in manufacturing of vehicles.

Emissions reduction

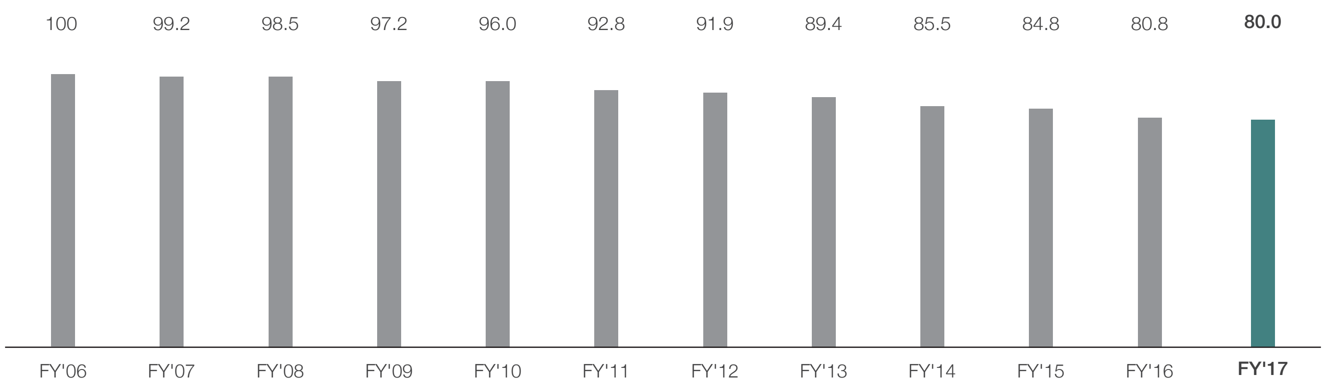
Innovative engine technologies such as i-GPI CNG engine, SHVS, direct injection turbo engine and Boosterjet have led to reduction of CO_2 emissions by vehicles during their usage phase. As of 31st March, 2017, the Company sold 763,351 alternative fuel (LPG, CNG and SHVS) vehicles which helped save 696,756 tonnes of CO_2 (tCO_2) emissions. There has been a steady reduction in CO_2 emissions from the entire fleet compared to base year 2005-2006.

Cumulative tCO_2 avoidance from usage of alternate fuel vehicles



Note: Calculation methodology has been revised with respect to previous years' report

Weighted average CO_2 percentage improvement for entire fleet (indexed to base year 2005-06)



Smart Hybrid Vehicle by Suzuki (SHVS): The mild hybrid diesel vehicle introduced by Maruti Suzuki in 2015, offers improvement in fuel efficiency and reduction of CO_2 emissions. The basic mild hybrid engine runs on a combination of an internal combustion engine and an electric motor. The electric motor gets its energy from the high capacity battery, while the engine gets its energy from the fuel. Some models with this new mild hybrid technology include the Ertiga and Ciaz. The key features of SHVS are:

- An Integrated Starter Generator (ISG) which turns off the engine automatically when the car is idling, thereby saving fuel and reducing CO_2 emissions.
- A gear-shift indicator prompts the driver to change gears at correct speeds, resulting in enhanced fuel efficiency.
- Regenerative braking system facilitates the recovery and reuse of the kinetic energy captured from braking which is stored in the high capacity battery.
- Power assist uses the stored energy in the high capacity battery to augment engine power during acceleration. This results in improved engine efficiency and prevents unnecessary fuel consumption.

Boosterjet

The 1.0 litre Direct Injection Turbo is a combination of the Direct Injection System and a Turbo Charger, and is able to deliver superior power as well as high fuel efficiency, through a compact engine.

Boosterjet deliver 20% more power than a conventional 1.2 litre petrol engine, while keeping fuel efficiency at high levels.

The turbo charger is driven on exhausts gases and spins to 217,000 rpm to supply more air into the engine, resulting in improved fuel combustion, and therefore, greater power. It uses a waste-gate valve that opens at low and mid-speed to reduce boost and prioritise fuel efficiency, closing at high speed to increase boost for maximum performance.

The direct-injection technology ensures fuel is being injected directly into the combustion chamber at high pressure aiding in combustion and giving better performance and reduced CO_2 emissions.

Working together, the direct injection and turbo-charging, ensure good fuel economy at the low and mid-range speed and performance at high speeds. Currently, this engine is being deployed in the new Baleno RS.

II. Production Stage: Manufacturing & Supply Chain

Manufacturing

Material use optimisation

The key raw materials used in vehicle manufacturing are steel coils, ferrous and non-ferrous castings and paints. Details on consumption of these materials in 2016-17 are given under 'Raw material and components consumed' section of this Annual Report.

The Company facilitates the recycling of scrap generated during vehicle manufacturing. The aluminium and trim (very small pieces) scrap are recycled by suppliers into ingots and steel scrap is used for making smaller sheet metal parts (child parts).

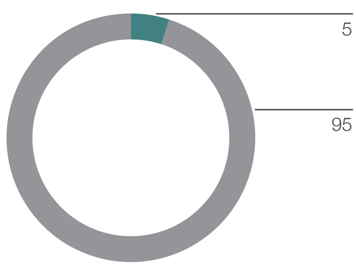
Materials recycled (t)

Material	2015-16	2016-17
Aluminium scrap	3,485	3,892
Steel scrap	30,484	35,050
Trim scrap	68,013	79,170

Energy conservation

The Company generates energy required for manufacturing activities through natural gas based power plants at its Gurugram and Manesar facilities. The captive power production is supplemented with grid supply. The facilities continue to source a major share (95%) of energy requirements from cleaner (natural gas) and renewable (solar) fuel sources.

Percentage energy consumption by type (%)



Energy from cleaner sources (natural gas, solar)

Energy from other sources (grid, diesel, gasoline)

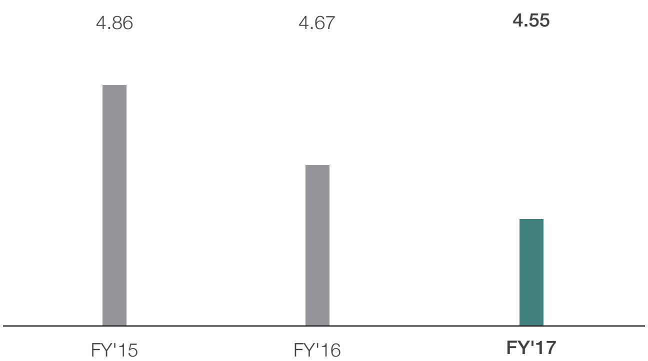
Energy consumption by type (GJ)

Direct / Indirect energy	Source	2014-15	2015-16	2016-17
Direct energy	Natural Gas	6,106,698	6,379,212	6,752,438
	Diesel (HSD)	88,704	84,940	176,237
	LPG & Propane	22,946	20,709	22,959*
	Gasoline	31,936	29,759	31,477
	Solar	4,750	4,924	4,797
Indirect energy	Grid electricity	101,215	126,100	142,401
Total		**6,356,249**	**6,645,644**	**7,130,309**

*Conversion factor has been taken from GRI G3.1 guidelines. In 2016-17, manufacturing of LPG vehicles were discontinued and the figure represents only the propane consumption.

The Company's overall energy consumption increased by 7.3% over the last reporting period, in line with this year's production growth. However, the energy intensity ratio (i.e. energy consumption per vehicle manufactured) has reduced by 0.12 GJ over the same period.

Energy intensity ratio (GJ)



In 2016-17, the Company continued its energy conservation drive. Some of the energy saving initiatives are given below.

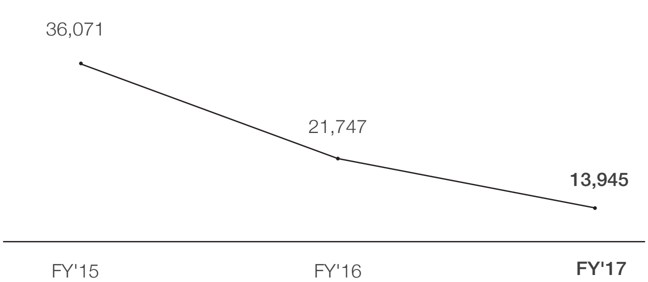
- Use of energy efficient arctic master, condenser, pumps and motors in air conditioning system and use of special coating on condenser fins to enhance heat transfer.
- Interconnection of cooling system of different boilers to reduce operation of power plant auxiliaries.
- Use of single chemical in place of multiple chemicals for water treatment to reduce dosing pump operations.
- Installation of energy-efficient heaters in assembly shop.

Water conservation

The Company is striving to reduce its dependence on scarce groundwater resources as well as conserve fresh water at its manufacturing locations through recycling and reuse.

In 2016-17, an overall reduction of 35% in groundwater consumption was achieved, compared to the previous year. The Gurugram facility was able to completely shift from ground water to canal water source.

Groundwater consumption (m³)

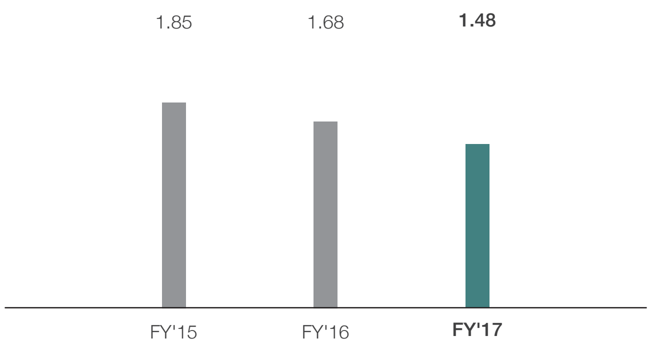


Compared to 2015-16, the overall fresh water consumption has reduced by 3.4% and the water intensity (water consumption per vehicle manufactured) has reduced by approximately 200 litres.

Fresh water consumption by source (m³)

Water source	2014-15	2015-16	2016-17
Surface water (canal water)	2,352,632	2,346,326	2,287,073
Ground water (tube well water)	36,071	21,747	13,945
Rainwater	6,871	39,668	25,691
Total	**2,395,574**	**2,407,741**	**2,326,709**

Water consumption intensity (m³)



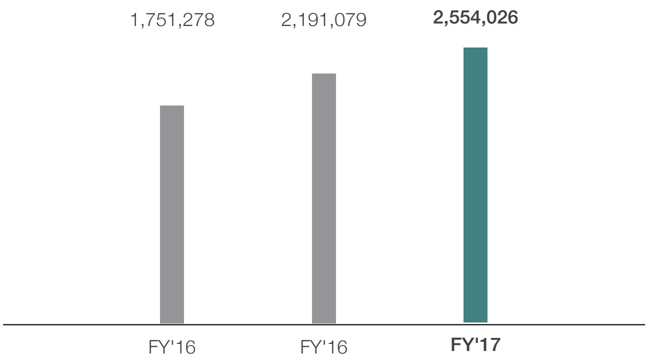
Water conservation initiatives during the year included the following:

- Installation of air washers and closed cycle type cooling towers for paint shops.
- Increased recycling of water by augmenting tertiary treatment and ultra-filtration in effluent treatment plant.
- Enhanced use of condensate recovery from steam distribution system.
- Use of solenoid for interlocking of water supply in casting shop.
- Construction of 40 groundwater recharge wells within facility premises.

The Company continued to recycle and reuse water treated through effluent treatment plants (ETP) and sewage treatment plants (STP) installed at the facilities. A portion (917,948 m^3) of the treated water was used for development and maintenance of green areas inside the facilities and rest was used as industrial water and demineralised water for shops. There was no wastewater discharge outside the facility premises.

In the reporting period, a new effort was made to collect rainwater from storm-water drains across the plant. From 18 such locations, rainwater was pumped and channelled to the STP. As a result, inflow of water into STP increased significantly. Ultimately, this led to a greater amount of recycled water than total fresh water intake. Further, recycled water was used in horticulture, toilets flushing and as industrial and demineralised water for shops. Total volume of reused water after recycling constitutes 60% of total water (fresh water consumption + reused water).

Recycled water (m^3)



Effluent treatment plant at Gurugram facility

Waste management

The Company follows the 3R principle for management of all types of wastes and special precaution is taken for handling, storage and disposal of hazardous wastes. All hazardous waste generated during operations are categorised, inventorised and either sent to the cement industry for co-processing (waste-to-resource initiative) or to authorised recyclers. There was no landfilling of waste in 2016-17.

Weight of hazardous waste by disposal method (t)

Disposal method	2015-16	**2016-17**
Sent to cement industry for co-processing	12,153	11,639
Sent to authorised recyclers	2,881	3,462

Note: In 2015-16, hazardous waste sent for co-processing included previous year's stock as well.

Emissions

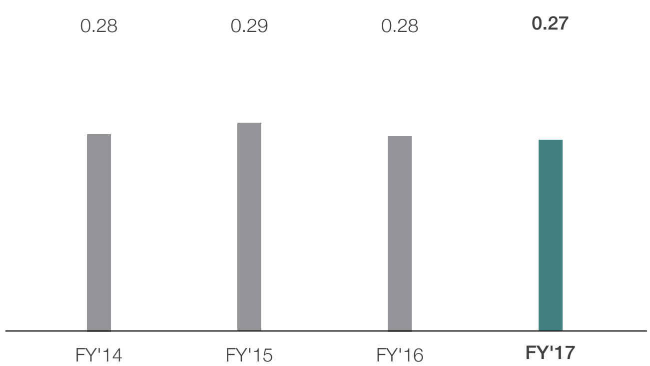
In 2016-17, total Scope-1 (direct) and Scope-2 (indirect) Greenhouse Gas (GHG) emissions from manufacturing facilities were 394,052 tCO_2e (tonnes of CO_2 equivalent) and 30,848 tCO_2e respectively. The emissions were calculated on the basis of the IPCC 2006 guidelines for National Greenhouse Gas Inventories and User Guide (Version 8.0) of Central Electricity Authority (Ministry of Power).

The overall GHG emissions of the Company, comprising Scope 1 (direct) and Scope 2 (indirect) emissions have increased by 8% over the last reporting period. However, the GHG emissions intensity (total Scope 1 & Scope 2 emissions per vehicle manufactured) reduced marginally over the last reporting period.

GHG emissions by type (tCO_2e)

Type	2014-15	2015-16	**2016-17**
Direct (Scope 1) emissions	351,377	366,233	394,052
Indirect (Scope 2) emissions	21,926	27,317	30,848
Total	**373,303**	**393,550**	**424,900**

GHG intensity ratio (GJ)



The office areas of the Company are air conditioned, all manufacturing locations are cooled by air washers. Therefore, the use of refrigerants with potential Ozone Depleting Potential is limited. The refrigerant used in the air-conditioning system in vehicles is R134a, which has no Ozone Depleting Potential (ODP).

Supply chain

The Company has one of the largest supply chain networks in the country with around 444 direct suppliers. Supply chain has two elements, in-bound and out-bound. In-bound supply chain includes sourcing of components for its vehicles and major value generation occurs at the suppliers' end. Out-bound supply chain includes transportation of vehicles to dealerships across country. However, on a smaller scale, transportation is also done through specially designed railway wagons.

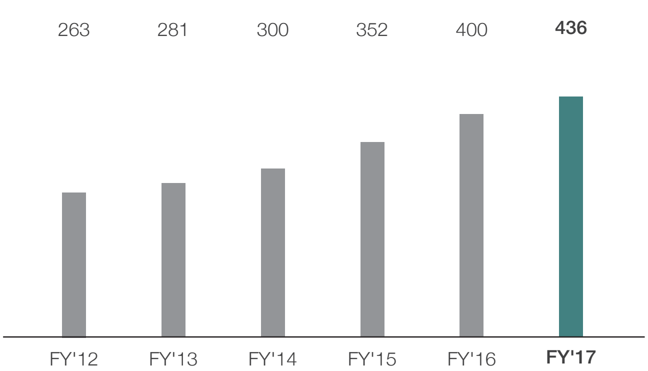
Local sourcing

The Company regularly aims to increase local sourcing of auto components. This reduces environmental impact, particularly from logistics, saves transportation time and boosts local economic growth. As on 31st March, 2017, 87% of the Company's tier-I suppliers are located within a 100 km radius of its main operating facilities.

Greening of supply chain

The Company promotes adoption of Green Procurement Guidelines (GPG) by tier-I suppliers. The Guidelines require suppliers to mandatorily avoid use of Substances of Concern (such as lead, cadmium, mercury, hexavalent chromium and asbestos) in their manufacturing process and products, establish EMS at their facilities and promote these practices among tier-II suppliers. As on 31st March, 2017, all tier-I suppliers have signed the GPG.

ISO 14001 certification status of supplier plants

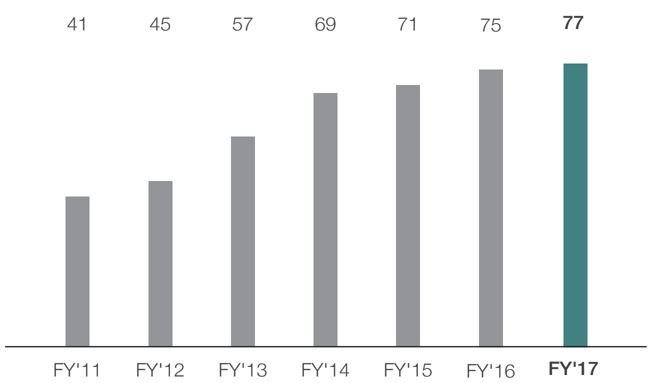


The Company continues to monitor its supply chain operations through regular audits on parameters such as environment, safety management system, general working conditions, hazard identification and control, and legal compliance.

Yield improvement

The Company is focused on yield improvement activities to conserve key raw materials used in manufacturing vehicles such as sheet metal, plastics, electrical and casting items.

Vendor participation in yield improement activities



Recognition for environmental management

The Company regularly holds conferences and meetings to encourage sharing of good practices among suppliers. At these fora, suppliers are recognised for excellent/outstanding results in each aspect of quality, cost, delivery, development and management (QCDDM). In 2016-17, the Company instituted Environment Awards for outstanding efforts by suppliers in environmental management.

III. Post Production Stage: Dealers and Service Workshops

Environment-friendly systems in service network

The Company is encouraging all its authorised service workshops, comprising 1,862 dealer workshops and 1,443 Authorised Service Stations, to embrace systems and practices to increase energy efficiency, save paper and reduce water consumption. Notable progress was made in these areas during the year.

3,305

Authorised service workshops are encouraged to embrace systems and practices to increase energy efficiency, save paper and reduce water consumption

Systems implemented	Workshops covered FY'17	FY'16	FY'15	FY'14
Automated Oil management system Protects against oil spills during vehicle servicing, prevents spillage, prevents wastage of oil and improves productivity	**609**	597	595	567
Paint-less dent repair system Avoids stripping of paint during dent repairing, which saves resource use and time	**509**	400	340	323
Automatic car and underbody washing system Reduces up to 20% of water consumption, delivers better washing quality and faster washing	**880**	779	610	245
Dry wash systems Special dry chemical wash for cars, reduced 216 million litres water use during the year while washing 2.28 million vehicles	**1130**	622	488	373

Paper conservation in service operations

- 76% of all job cards were opened through tablets at dealer workshops
- Customer feedback was captured through telephonic surveys and E-feedback cards as well as through the Interactive Feedback System (Kiosk) placed at reception

Service manuals for old as well as new models made available in CD-ROM (with objective of phasing out paper manuals in the near-term).

Environment Day

On World Environment Day (5th June) 2016, the Company organised Environment Camps across 1322 authorised workshops to encourage customers to adopt environment conservation practices and effective use of resources.

Highlights

- Conducted free pollution check-up for 24,406 vehicles
- Educated customers on fuel saving techniques and car maintenance
- Promoted water-less washing and dry wash
- Distributed plant saplings to customers

Route rationalisation and multimodal dispatch

The Company has continued to focus on multimodal dispatch, consolidation of stockyards and route rationalisation efforts towards reducing Scope 3 CO_2 emissions from transportation.

Since the introduction of rail transport of manufactured vehicles using the double-deck merchandise train in 2009, the Company has attempted to increase transportation by railways and currently owns three rakes. In 2016-17, 87,747 vehicles were transported through the rail route as compared to 76,443 in 2015-16.

The Company is also exploring ways to dispatch new cars through inland waterways in collaboration with Inland Waterways Authority of India (IWAI), Ministry of Shipping. A trial run was undertaken in August 2016.

IV. End of Life Vehicle (ELV) Stage

The Company pioneered the adoption of European Union's ELV standards for vehicles by ensuring that no potentially toxic substances are used in vehicles. This allows vehicles to be recycled in the most environment friendly manner at the end of their life cycle. Since 2015-16, all vehicles meet this standard after the Company was able to upgrade relevant suppliers to comply with ELV norms.

Social Performance

Disclosure on Management Approach

Maruti Suzuki believes that employees are its greatest asset. It strives to create a conducive and safe work environment for them so they can efficiently contribute to the growth of the Company, enhance their capabilities and grow in the organisation.

The Company promotes gender diversity and upholds the principles of human rights, especially those that relate to non-discrimination and freedom of association.

The Company undertakes a wide range of social projects directed at making a difference to the lives of communities around its facilities and society at large. As part of its Corporate Social Responsibility (CSR) programme, it focuses on three broad areas, namely Community Development, Skill Development and Road Safety.

The Company has set up a CSR Committee of the Board and has a duly approved CSR policy. The Committee met twice in 2016-17 to review implementation of approved projects, approve the CSR Annexure for the Annual Report and provide direction on social projects. In addition to the review by the CSR Committee, all CSR projects are centrally reviewed and monitored every month at the corporate level. Further, all CSR projects are audited by internal as well as external statutory auditors for compliance as per the law and CSR policy of the Company.

In 2015-16, the Company registered a not-for-profit entity 'Maruti Suzuki Foundation' which began operations in 2016-17. Going forward, the Company intends to undertake all its CSR activities through the Maruti Suzuki Foundation.

The CSR projects are finalised based on needs assessment surveys and stakeholder interviews which help the Company identify short-and long-term projects. Depending on the nature of intervention, implementing partners/agencies are finalised. In 2016-17, the Company undertook a community satisfaction survey to gauge the satisfaction level of communities and identify gaps for further action. The Company also engaged with expert agencies to carry out impact assessment of its social projects. The findings revealed high satisfaction level of communities and improvement in their quality of life post implementation of the social initiatives.

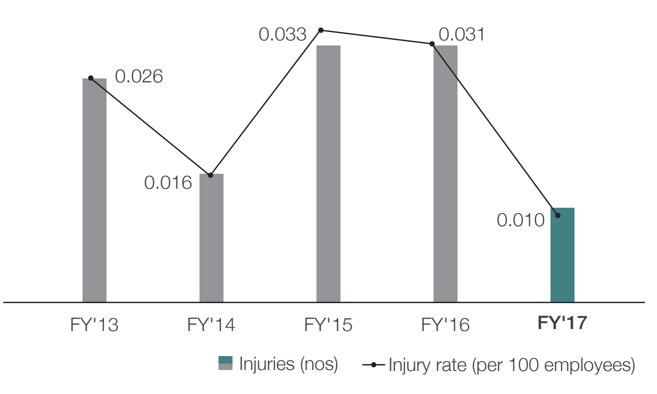
Occupational Health and Safety

Maruti Suzuki has been steadfast in ensuring health and safety of every employee, assigning it utmost priority. All employees take a safety pledge to enhance sensitivity and commitment. Maruti Suzuki is an OSHAS 18001 Certified company. An apex Safety Committee under the Factories Act, 1948 (India), having equal representation of workers and managers allows all aspects of production and non-production through a decentralised model that operates at a central, locational and divisional level. In pursuance of the 'zero accident' goal, safety drills, trainings and awareness sessions are conducted on a regular basis. All employees, at the time of joining the Company, are provided training on usage of fire extinguishers. A recent innovation has been the development of a water-based eco-friendly fire extinguisher for training.

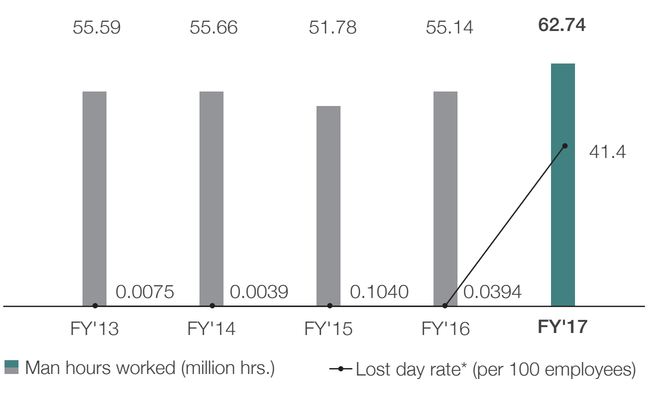
The 'Safety Basic Principles' guide has been formulated, based on the premise that all accidents are preventable and that safety is everyone's responsibility. Following these principles has helped the Company to reduce accidents and injury rate. Unfortunately, in 2016-17, two employees of an outsourced service company lost their lives in a fatal accident within the Company premises while undertaking sewage maintenance work.

To prevent unsafe conditions and occupational disease, the Company has introduced engineering controls like automation, better ventilation, barriers between man and machine and administrative controls like rotation of manpower. Regular awareness sessions are conducted on hazards and use of personal protection equipment (PPE). These preventive measures and quality controls have contributed in ensuring that no case of occupational disease is recorded in the reporting year.

Injury and injury rate



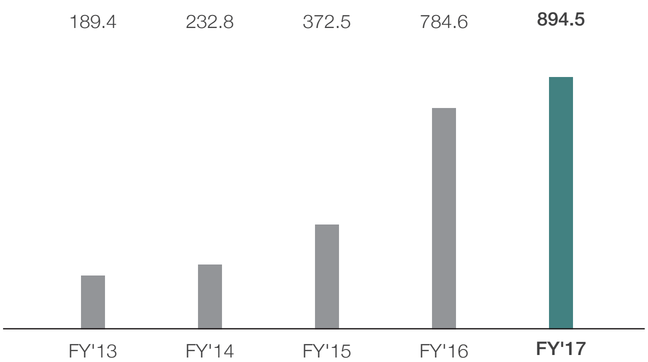
Accident and lost days rate



Corporate Social Responsibility

In 2016-17, the Company's CSR spend went up by 14% to ₹ 894.5 million. The Company spent over 2% of its average net profit of the previous three years on CSR.

Trend of CSR spend for last 5 years (₹ million)



Community Development

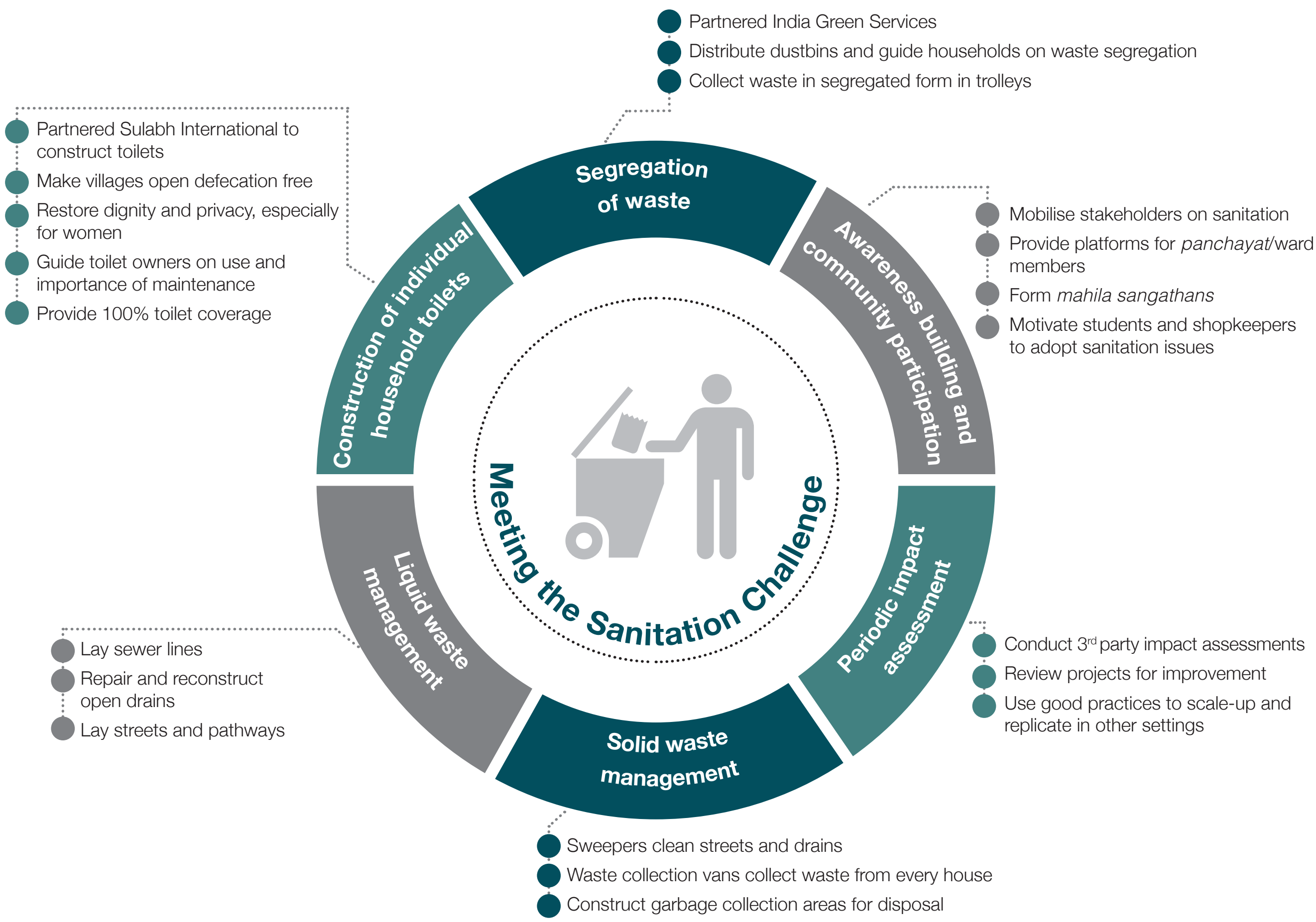
Maruti Suzuki is committed to improving the quality of life of people residing in local communities. It is working closely with communities, involving them in all aspects of project implementation, such as needs assessment, project design, monitoring and mid-course correction. Water, Sanitation and Education have emerged as the three most critical needs of the community. Ongoing efforts of the Company are transforming the lives of people residing in 24 villages in Haryana (Gurugram, Manesar and Rohtak) and Gujarat (Hansalpur).

Water & Sanitation

The Company has a dedicated team working with communities, *sarpanches* and ward members to improve the water and sanitation condition in their villages. The programmes are aligned with the Government's flagship programme – *Swachh Bharat Abhiyan*. Overall, standards of sanitation and hygiene have improved with laying of sewer lines, construction of household toilets and undertaking of solid waste management. Simultaneously, behavioural change projects and awareness drives on health and hygiene are carried out with NGO partners on an ongoing basis.

Waste collection vans and sweepers deputed for daily cleaning of the village

Comprehensive sanitation programme looks at all dimensions of sanitation, following a holistic approach



Water and Sanitation Programmes	Till 2014-15	2015-16	**2016-17**	Cumulative
No. of villages for intervention	10	11	3	24
Liquid waste management – Laying of sewer lines	2 villages (6.4 km)	2 villages (4.9 km)	2 villages (10 km)	6 villages 21.3 km
Deployment of sweepers in Gurugram, Manesar and Rohtak villages	25	40	8	73
Waste collection trolleys	-	13	5	18
Waste collection vans	2	7	-	9
Individual household toilets in Manesar, Rohtak, Gujarat and Bengaluru	106	1,401	1,100	2,607
Sanitation awareness (villages covered)	-	2	3	5
Water ATMs in Manesar	-	-	4	4
Borewell, 3.75 lakh litres overhead and underground water reservoir in Hansalpur village (Gujarat)	-	-	1	1
Water pipeline project in Aliyar village (Manesar) & Hansalpur village (Gujarat)	-	800 m	5,940 m	6,740 m

Impact Assessment

The Company conducted a third party impact assessment of its Individual Household Toilet project under its Water and Sanitation programme in 2016-17. The key objective of the assessment was to assess the usage pattern and consumer feedback related to toilet construction that had been completed in the previous years. Findings of the assessment:

- **90%** of surveyed toilets were used regularly
- **80%** of surveyed toilets were found to be clean
- **98%** households felt positive impact of toilets on their overall lives
- Villagers reported reduction in frequency of water-borne diseases
- Elderly reported ease of access and convenience with use of their newly constructed toilets

Beneficiary Speak

"Imagine a newly-wed bride being escorted to the fields by the groom; or a pregnant woman with her frequent need to urinate having to beg someone in the family to accompany her; or a woman who has just delivered a baby, braving the stitches and discomfort and dragging herself to what could be a half to one kilometre walk one way. Each day was an ordeal for these women. Many more girls and women in the village had their share of toilet stories to tell, till the time Maruti Suzuki came and constructed household toilets helping restore dignity and pride to these women."

Rekha Devi
Mother of a one year old in Bas Hariya village, Manesar

Water ATM in Manesar village

Providing Safe Water through a Public-Private Initiative

Pashupati Mishra is a pavement seller and one of many migrants who earn a livelihood in industrialised villages that dot Manesar in Haryana. For years, he drank untreated tap water leading to frequent diarrhoeal infections. The Water ATM installed right behind his 'shop' in Bas Hariya village now sees him start his day by buying two litres of clean and safe drinking water dispensed from a machine for as little as 35 paise a litre. His is one of 7,000 households that have benefitted. The Water ATM is a good example of a successful Public Private Partnership. The initiative was launched at the behest of Sarpanches in the area who were battling complaints of poor drinking water. They approached Maruti Suzuki to find a solution to their woes. Water Life, a private company, provided technical expertise and the *panchayat* brainstormed on where the installation would be. Land was donated by the village along with an electricity connection for the borewell. Residents were made aware of benefits and asked to register for the service. While it is voluntary, number of users is increasing as word spreads. The community takes pride in their latest acquisition which also has eco-friendly aspects like recycling reject water for gardening and flushing of toilets. Combining private enterprise with community involvement has helped create a win-win situation for all.

"Water is life and over 1,000-odd homes in our village were deprived of pure drinking water. We feel a sense of ownership towards the Water ATM, since it has brought together different agencies and has been installed in consultation with the community. Our village is a recipient of the Government's *Nirmal Gram* Award and with initiatives like Water ATM, we hope to soon be declared an *Adarsh Gram* (ideal village)."

Savita Chauhan
Sarpanch, Village Bas Hariya in Manesar, Haryana

Students learning through audio-visual training tool

Education

In 2006-07, the Company embarked on a two-fold plan for government schools: improve school infrastructure and also bring about a qualitative difference to academic learning levels. Working closely with the school administration, projects were identified and taken up in phases. As of 31st March, 2017, infrastructure in 47 schools has been upgraded, making them into a happy and safe place to be for over 25,000 students.

School Infrastructure Upgradation: Constructing separate toilet blocks for boys and girls guaranteed privacy and convenience, sparing many from having to rush home to relieve themselves. Constructing water tanks along with providing furniture, lights and fans, whitewashing walls and repairing blackboards made in-classroom teaching more effective. The overall objective of infrastructure upgradation project is to create an enabling environment in the schools for learning.

Improving learning levels of students

Impact Assessment

The impact assessments undertaken in 2016-17 suggested an increase in ownership aspect and practice of hygiene among school students.

83% students during a focus group discussion confirmed that they practice hand washing before and after their meals.

45% students interviewed were making efforts to keep their school environment clean by using dustbins.

47% students attributed their increase in concentration to improved environment in classrooms.

Improving learning levels of students: While school infrastructure upgradation motivated students and faculty on a physical level, it was important to address the intellectual and academic aspects as well. The Company undertook a comprehensive survey of learning levels and the various forms of support required to improve academic performance. In line with that study, the Company offers support through subject teachers, institutionalised academic scholarships for meritorious students, tuitions in special cases and teaching aids such as projectors. The learning level of students has shown a marked improvement. There is a yearning to learn among students.

School Infrastructure Development Projects	Till 2014-15	2015-16	**2016-17**	Cumulative
Construction of separate toilet blocks for boys & girls	24	14	9	47
Creating drinking water facilities	12	18	6	36
Constructing mid-day meal utensil cleaning areas	8	18	6	32
Widening of windows and ventilators for natural light in classrooms	292	1,051	887	2,230
Improving Learning Levels				
Recruiting supplementary teachers	-	30	8	38
Introducing audio-visual training device	-	16	11	27
Training school principals, government teachers and supplementary teachers (No. of teachers)	-	-	109	109
Distributing Academic Excellence Awards	-	152	728	880
Distributing scholarships for students in ITIs, Diploma & Engineering streams	-	185	179	364

Rural Development Programme

Committed to improving overall quality of life of community members, the Company facilitates repair work and revamping of existing infrastructure and creation of new facilities. Projects are finalised based on needs and collaborative decisions taken with village leaders and influencers along with the Company's field staff, technical teams and expert agencies. In 2016-17, the Company undertook projects like construction of community halls, crematorium repair and construction of roads.

Rural Development Programme	Till 2014-15	2015-16	**2016-17**	Cumulative
Laying of 'pukka' streets inside villages	-	699 m	828 m	1,527 m
Construction/ repair of bitumen/ concrete road	-	4,608.5 m	4,360 m	8,968.5
Construction of community hall	1	1	1	3

Community hall in Manesar

Community Satisfaction Survey

In 2016-17, the Company sought to understand whether its Community Development programmes are in line with community expectations. To understand this, the Company appointed a third party to conduct a pilot survey to assess the satisfaction level of people living in the two adopted villages of Manesar.

- **93% community** members were satisfied with school infrastructure.
- **Over 74% community** members were satisfied with Quality of environment around their village.
- **85% community** members were satisfied with the availability of drinking water, sanitation facilities and the drainage facility available in the village.
- **90% community members** were satisfied with the state of village streets and the roads.

Girl Students getting trained on the training vehicle provided to ITIs

Skill Development

With the world's largest youth demography, India's biggest challenge is to equip them with skills that are employable and to offer them avenues for sustainable growth. For long, the industry has lamented a mismatch between industry requirements and the technical training imparted, especially in Industrial Training Institutes (ITI). The Company has aligned itself with the Government's vision of Skill India. As of 31st March, 2017, it is working closely with 141 ITIs across 27 states and running three major programmes under its skill development initiatives.

- Upgradation of Government ITIs (covering all trades)
- Skill Enhancement in Automobile Trade at Government ITIs
- Japan India Institute for Manufacturing (JIM)

Upgradation of Government ITIs: In partnership with state governments, the Company is adopting ITIs and through its various interventions and upgrading physical infrastructure and workshops, training faculty while providing exposure to students on Japanese shop floor practices. The Company is also supporting the Institute of Trainers in Rohtak where on-the-job sessions on updated equipment and technology are provided for ITI faculty.

Skill Enhancement in Automobile Trade: The automobile sector is evolving rapidly in terms of product technology, convenience features and customer expectations. To adapt to these changes, training curricula and infrastructure have to be upgraded regularly. To fulfil this need, the Company has set up Automobile Skill Enhancement Centres (ASEC) at 60 ITIs. Each of these centres is equipped with a model workshop on which practical training is imparted by full-time trainers provided by the Company.

The Company has also introduced specialised courses on Auto Body Repair (ABR) and Auto Body Painting (ABP) – skills in high demand but with limited training facilities. Students get a feel of real work conditions by visiting workshops of partner dealers. The hands-on experience gives them access to latest information and technology, building their capacity to undertake quality service and repair of vehicles besides providing exposure on client interaction.

In 2016-17, the Company invited a Japanese expert through a Japan-based Human Resources and Industry Development Association (HIDA) to train teachers/students on latest technologies for a period of two weeks at ITI Pusa, Delhi. Students were imparted training on global best practices in vehicle service and repair and latest automobile technologies along with training in soft skills like discipline, punctuality, cleanliness, safety and quality in the field of service.

HIDA trainer training students in ASEC. Students are trained on Japanese Best Practices along with latest technology and tools

Trainers are provided by Maruti Suzuki in Automobile Skill Enhancement Centres to train students with updated course

Signing of MoA between India and Japan for setting up Japan-India Institute for Manufacturing (JIM)

Japan-India Institute for Manufacturing (JIM): In 2016-17, the Governments of Japan and India signed an agreement to create a pool of skilled manpower for manufacturing in India. To translate the vision of this partnership, the Company embarked on setting up the first Japan-India Institute for Manufacturing (JIM) at AS Patel (Pvt.) ITI, in Ganpat University, Mehsana, Gujarat.

In addition to the technical curriculum, the JIM will impart training in some of the best shop floor practices, such as Kaizen and Quality Circles, based on curricula developed in Japan. The JIM will offer eight technical courses relevant for automobile manufacturing and servicing, and will begin in August 2017.

Upgradation of Government ITIs (all trades)	Till 2014 -15	2015-16	2016-17	Cumulative
Supported ITIs	27	4	10	41
No. of workshops upgraded	-	9	71	80
Training of students (Nos.)	3,248	8,966	10,353	22,567
Training the teachers (Nos.)	483	709	869	2,061
Students visiting factories for industry exposure	2,578	2,546	2,901	8,025
Skill Enhancement in Automobile Trade				
New tie-ups	85	15	10	110
No. of Automobile Skill Enhancement Centres	22	28	10	60
No. of Automobile Skill Enhancement Centres - Body & Paint	-	2	4	6
No. of student beneficiaries	5,250	5,900	6,408	17,558
Total number of students recruited in dealer networks from supported ITIs	724	1,100	2,205	4,209

Finding Mentors and Gearing for an Industry Job

A big surprise awaited for 17-year old Shubham Maurya the day he walked into Pusa ITI's automobile trade course section. Having visited two ITIs where his friends were studying to get course information, he did not know what a "company supported ITI" meant till he enrolled here. It was only when he completed his first week of theory and practicals that he realised the edge he had over his contemporaries elsewhere. A meticulous curriculum with relevant lesson plans was backed by demos in the workshop where state-of-the-art equipment and guidance by trained faculty on latest car models and spare parts, ensured every student got ample time to practice. Ongoing sessions on soft skills, how to sit for job interviews and trainings by organisations like HIDA from Japan prepared him and his batchmates for the upcoming placement season. Additional time spent in company dealer workshops provided relevant exposure to service, management and practical side of automobile repair and maintenance.

"I feel students and trainers of ITI Pusa are very enthusiastic and motivated. Professionally run with Maruti Suzuki support, there is constant effort to upgrade equipment and bring to students the latest in automobile technology and engineering. The ASEC is a unique addition that gives students hands-on knowledge of the functioning of auto parts and machines preparing them for a job in the industry and for entrepreneurship."

Jitender Kumar
ITI Pusa Trainer

Road Safety

Maruti Suzuki is committed to improving safety on Indian roads by imparting quality driving training and education. Providing skills, knowledge and attitudinal inputs to both road users and road drivers, the Company has strategically reached out to key segments of society since the year 2000.

Institute of Driving and Traffic Research (IDTR): Established in partnership with state governments, IDTRs offer training to passenger and commercial vehicle drivers on scientifically designed tracks and simulators. In keeping with the Company's philosophy of making continuous improvement, Aritra, an app-based technology has been developed to make driving learning more accurate and scientific. It also empowers the instructor/trainer to make specific assessments of the learner's driving skills.

Scientifically designed tracks at IDTR

Training provided on simulators in IDTR

Maruti Driving Schools (MDS): Maruti Driving Schools go beyond just providing quality training to enhance driving skills. Through an updated curriculum that combines exposure to simulators and on-road practical training, the Company is trying to build a safe driving culture in the country. All MDS trainers are trained and certified by IDTR.

A special employment oriented driving training programme, "Unnati", launched in 2015-16, was scaled up in 2016-17. Leading corporates are partnering with the Company to train their company drivers and employees. The Company has partnered with Punjab government to set up driving schools within RTO premises. So far, 22 schools have been set up in various RTOs of Punjab. Following a PPP model, these "smart RTOs" are now producing quality trained drivers, setting an example for other states.

Road Safety Knowledge Centres (RSKC): In an effort to curb road accidents and create a generation of safe and responsible road drivers, RSKCs have been set up in partnership with the Traffic Police, Haryana. The key objective is to provide driving training on road safety and traffic rules to violators and applicants for learner licenses.

Train the Trainer Programme: Investing in training faculty at Maruti Suzuki's driving schools is both a priority and an ongoing effort. Updating trainers on latest technologies and standardised training delivery modules helps strengthen their level of dedication and expertise. These inputs play an important part in positioning them as a new generation of driving training professionals who in turn are responsible for providing state-of-the-art lessons to drivers of light and heavy motor vehicles.

Road Safety for Truck Drivers: As a community, truck drivers remain underserved. The Company works with truck drivers throughout the year. They provide driving training facilities that have been specially customised to suit their needs with a flexible currciula and relevant course material. "Jagriti" is a special week-long road safety campaign for truck drivers, which includes competitions, mock sessions, guest lectures, quizzes and interactive activities that reinforce safe driving, provide information on basic traffic rules and signs and bolster self-esteem of truckers. Health and eye check-ups along with confidential testing for HIV/AIDS are also part of Jagriti. Every year, the programme sees a new value addition. In 2016-17, a lung and pulmonary test and session on nutrition and healthy diet were added much to the joy of the truckers who participated in the programme.

Road Safety Education: The Company's constant endeavour is to promote road safety through campaigns designed to suit different target groups aiming at behaviour change amongst

Training on simulators with professional trainers

Gurugram school children participate in Gurugram Road Safety Mega Festival, a joint initiative by Maruti Suzuki and Gurugram Police road users. It acquaints them with information on road safety, expanding the network of well informed and careful drivers and pedestrians who are taking responsibility for their safety and of other road users. A new addition to the training curriculum has been a set of animation videos with messages for advocacy and wider dissemination. The Company has partnered with TV and radio channels to further promote messages on road safety. Special programmes reach out to school students, in an effort to prepare the next generation of road users with correct information on road safety and driving.

City Specific Road Safety Programme: Launched in partnership with Gurugram Traffic Police, the 'Sabhya Roads Bhavya Gurugram' initiative has grown to gain acceptance and appreciation amongst road users and Gurugram Traffic Police, where it is currently in its second year of implementation. A study was conducted with an expert agency NATPAC to understand the traffic conditions on a dedicated corridor. Based on the study, various events have been held to promote safe driving, reading of road signs, using reflectors and stickers and following of traffic rules. Special pedestrian drills are organised in partnership with Gurugram Traffic Police at major traffic junctions of Gurugram.

Road Safety Programmes	Till 2014 -15	2015-16	2016-17	Cumulative
Activation of Maruti Driving Schools	340	31	39	403
Sponsored training of drivers (new)	5,267	13,721	6,323	25,311
Sponsored training of drivers (existing)	14,327	21,851	31,009	67,187
Train the Trainers (new)	176	258	379	813
Train the Trainers (existing)	449	287	377	1,113
Support Punjab Government in setting up 32 Driving Training Centres	-	1	22	23
City Specific Road Safety Project in Gurugram	-	1	1	1
Deployment of Traffic Marshals in Gurugram	60	40	100	100
Donation of vehicles to Haryana Traffic Police (to promote road safety)	-	5	15	20

Trained Traffic Marshals Reinforce Concepts of Safety and Protection

Standing erect, taking the form of a human traffic red light to control movement of vehicles and people on a 45 km stretch that covers some of the busiest traffic points in Gurugram. Getting people to not talk on the phone while driving and crossing roads, making co-passengers assume responsibility for their lives by not jumping lights, wearing helmets and strapping on their seat belts. This and more is done by 35-year old Rai Singh, one of 100 Traffic Marshals on deputation with Maruti Suzuki, as part of the 'Sabhya Road, Bhavya Gurugram', City Specific Road Safety programme. Three busy traffic junctions are covered by these traffic marshals who are trained in the fundamentals of road safety and human behaviour. Singh, apart from navigating traffic and people during peak hours has found that lighting up dark streets with reflectors, painting zebra crossings and creating special cuts to facilitate vehicle movement, in consultation with Gurugram Traffic Police has improved overall road management. Commuters, pedestrians and vehicle drivers are appreciating this effort as they have turned more vigilant during their daily commute, making way for pedestrians and following traffic rules. These small steps have helped decongest the pile-up of vehicles and pushing and jostling of human bodies as they scramble to reach offices on time. Traffic Marshals meanwhile continue to improve their skills and get many a pat on the back for being do-gooders on Gurugram's chaotic traffic junctions.

"Initially being mocked by commuters who questioned our authority was disheartening. With training, more information and mock demos we got better at managing pedestrians, commuters and vehicle drivers. We also began to feel a sense of pride and achievement as we played our part in saving precious lives."

Sandeep Malhotra
Traffic Marshal

GRI G4 (Core) Content Index

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G4-9	56	NA	NA	NA	
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Independent Assurance Statement

Scope and approach

DNV GL represented by DNV GL Business Assurance India Private Limited ('DNV GL') has been commissioned by the management of **Maruti Suzuki India Limited (MSIL or Company)** to undertake independent assurance of the Company's Sustainability Report 2016 -17 in its printed format (the 'Report') for the Financial year ended 31st March, 2017. Our responsibility in performing this work is regarding verification of Sustainability performance disclosed in the Report and in accordance with the scope of work agreed with the management of the Company. The intended users of this assurance statement are the management of the Company. Our assurance engagement was planned and carried out during June and July, 2017.

We performed our work using AA1000AS (2008) and DNV GL's assurance methodology VeriSustain™. DNV GL Verisustain is based on our professional experience, international assurance best practice including International Standard on Assurance Engagements (ISAE) 3000 Revised*, along with AccountAbility's AA1000 Assurance Standard 2008 (AA1000AS (2008)) and the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 4 (GRI G4).

The agreed scope of work was the verification of the qualitative and quantitative information on sustainability performance disclosed in the Report covering Economic, Environmental and Social performance of the activities undertaken by the Company over the reporting period 1st April, 2016 to 31st March, 2017 and based on the GRI G4. We are providing a Type 2 Moderate Level of assurance based on AA1000AS 2008.

We understand that the reported financial data and information are based on data from Company's Report and Accounts for year ending 31st March, 2017, which are subject to a separate independent audit process. The review of financial and CSR expenditure data taken from the Company's Annual Report and Accounts is not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion and no external stakeholders were interviewed as part of this assurance engagement.

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

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

Responsibilities of the Management of MSIL and of the Assurance Providers

The management team of Company has sole responsibility for the preparation of the Report and is responsible for all information provided in the Report as well as the processes for collecting, analysing and reporting the information presented in the printed Report.

In performing our assurance work, our responsibility is to the management of Company; however, our statement represents our independent opinion and is intended to inform outcome of our assurance to the stakeholders of Company. DNV GL provides a range of other services to MSIL, none of which, in our opinion, constitute a conflict of Interest with this assurance work.

DNV GL's assurance engagements are based on the assumption that the data and information provided by MSIL to us as part of our review have been provided in good faith. DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at the Company's Corporate office and sampled one of the two operational site of Company at Gurugram, Haryana, India. We undertook the following activities:

- Review of the current sustainability issues that could affect Company's sustainability performance and are of interest to identified stakeholders;
- Review of MSIL's approach to stakeholder engagement and recent outputs, although we have no direct engagement with external stakeholders;
- Review of information provided to us by the Company on its reporting and management processes relating to the GRI G4 content Principles;
- Interviews with selected senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed - we were

free to choose interviewees and interviewed those with overall responsibility for the programmes to deliver MSIL's sustainability aspirations.

- The sites we visited were selected based on their materiality to the Company for sustainability impacts as well as to give a geographical and divisional spread - site visit to the manufacturing facility at Gurugram and Corporate office in New Delhi to review processes and systems for preparing site level sustainability disclosures and implementation of management approach and sustainability strategies.
- Review of supporting evidence for key claims and data in the Report. Our checking processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at a consolidated corporate level;
- Review of the processes for gathering and consolidating the specified performance data; and
- An independent assessment of the Company's reporting against the Global Reporting Initiative (GRI) G4 Guidelines 'in accordance' Core option of reporting.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement, except disclosures related to joint ventures, subsidiaries, outsourced operations, and other entities which are out of the reporting boundary as set out in the Report.

Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe MSIL's adherence to GRI G4 content Principles, General Standard Disclosures and Specific Standard Disclosures for 'in accordance' Core option of reporting as below:

a. **General Standard Disclosures:** The reported information on General Standard Disclosures along with the referenced information generally meets the disclosure requirements for 'in accordance' Core option of reporting.

b. **Specific Standard Disclosures:** The Report describes the Generic Disclosures on Management Approach (DMA) and performance indicators for identified Material Aspects as below:

Economic
- Economic Performance – G4-EC1, EC3;
- Procurement Practices – G4-EC9.

Environmental
- Materials – G4-EN1, G4-EN2;
- Energy – G4-EN3, G4-EN5;
- Water – G4-EN8;
- Emissions – G4-EN15, G4-EN16;
- Effluents and Waste – G4-EN22;
- Compliance – G4-EN29;
- Transport - G4-EN30;
- Supplier Environmental Assessment – G4-EN32.

Social Labour Practices and Decent Work
- Employment – G4-LA1, G4-LA2;
- Labour/Management Relations – G4-LA4;
- Occupational Health and Safety – G4-LA5, G4-LA6;
- Training and Education – G4-LA9, G4-LA10, G4-LA11;
- Labour Practices Grievance Mechanism – G4-LA16.

Human Rights
- Freedom of Association and Collective Bargaining – G4-HR4;
- Child Labour – G4-HR5;
- Forced or Compulsory Labour – G4-HR6.

Society
- Local Communities – G4-SO1;
- Anti-corruption – G4-SO3, G4-SO4, G4-SO5;
- Anti-competitive Behaviour – G4-SO7;
- Compliance – G4-SO8.

Product Responsibility
- Customer Health and Safety – G4-PR1;
- Marketing Communications – G4-PR7;
- Compliance – G4-PR9.

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Observations

Without affecting our assurance opinion we also provide the following observations. We have evaluated the Report's adherence to the following principles on a scale of '**Good**', '**Acceptable**' and '**Needs Improvement**':

AA1000AS (2008) Principles

Inclusivity

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

The stakeholder engagement process is well established to identify sustainability challenges and concerns of diverse stakeholder groups considering the operations and the Report brings out key concerns of diverse stakeholders and its impact on stakeholders. In our opinion, the level at which the Report adheres to this principle is '**Good**'.

Materiality

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

The materiality determination process was revalidated based on inputs from key stakeholders and senior management of Company and has not missed out identification of key material issues. The management of the Company has established internal assessment process for monitoring and management on a continual basis for their long term organisational sustainability. In our opinion, the level at which the Report adheres to this principle is '**Good**'.

Responsiveness

The extent to which an organisation responds to stakeholder issues.

The Report has brought out key responses to the materiality aspects and disclosed the strategies and management approach related to identified key sustainability aspects considering the overall sustainability context of the automotive sector, within the identified aspect boundary. In our opinion, the level at which the Report adheres to this principle is '**Good**'.

Reliability

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

The majority of data and information verified at the Corporate Office and sampled operational site at Gurugram were found to be accurate and nothing came to our attention based on the sampling approach to suggest that reported data have not been properly collated from information reported from operational level, nor that the assumptions used were inappropriate. However, during the verification, we did come across some of the data inaccuracies and those were attributable to transcription, interpretation and aggregation errors and the errors have been communicated for correction. In our opinion, the level at which the Report adheres to this principle is '**Good**'.

Specific evaluation of the information on sustainability performance

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

Additional principles as per DNVGL's VeriSustain Protocol

Completeness

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

The Report has fairly attempted to disclose the General and Specific Standard disclosures including the disclosure on management approach and performance indicators for identified material aspects for GRI G4 'in accordance' Core option of reporting within the identified reporting boundary and excludes other entities which are part of its consolidated financial statement. In our opinion, the level at which the Report adheres to this principle within the chosen reporting boundary is '**Acceptable**'.

Neutrality

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

The disclosures related to sustainability issues and performances are reported in a neutral tone, in terms of content and presentation, however Report could further bring out responses related to the challenges faced during the reporting period at various geographical locations of operations in terms of disclosure of all identified material aspects, sustainability goals and targets etc. In our opinion, the level at which the Report adheres to this principle is 'Acceptable'.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities for improvement reported to the management of the Company and are not considered for drawing our conclusions on the Report; however they are generally consistent with the management's objectives:

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- Future reports may re-evaluate materiality for all entities included in its financial statement, extend the reporting boundary and bring out the impacts of material aspects related to Joint Ventures and Subsidiaries and disclose related sustainability performances;

- A system for periodic communication of sustainability performance may be evolved to disclose key sustainability performance disclosures in the Company's website for the benefit of stakeholders; and

- Adoption of sustainability best practices based on auto industry peers for further strengthening the existing sustainability practices and its associated business impacts may be explored.

For and on behalf of DNV GL

Vadakepatth Nandkumar Lead Verifier, Regional Manager – Regional Sustainability Operations – Region India and Middle East DNV GL – Business Assurance India Private Limited	**Prasun Kundu** Assurance Reviewer, DNV GL – Business Assurance India Private Limited

Bengaluru, India, 29th July, 2017

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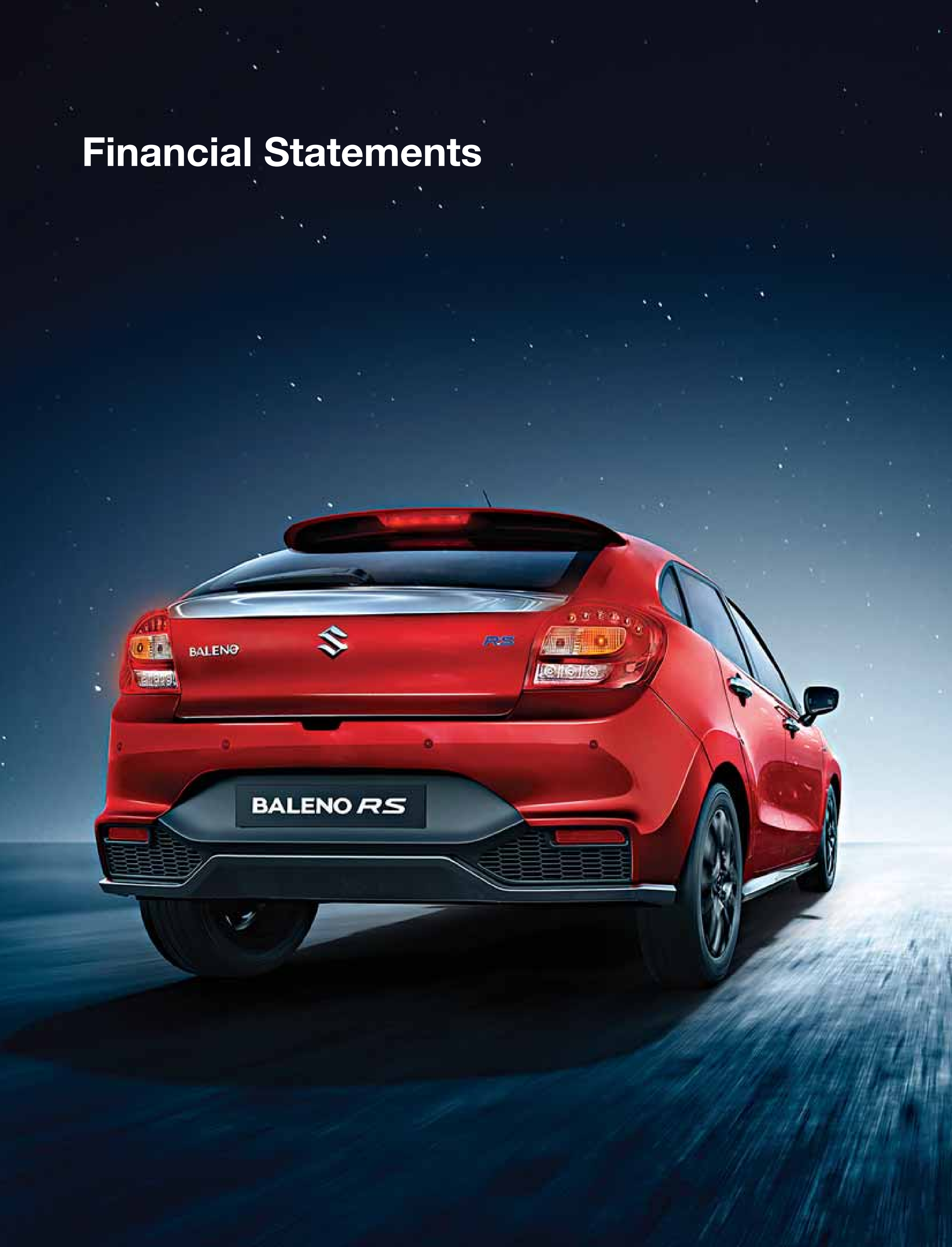
Contact person for details: Mr. Ranjit Singh, General Manager (CSR & Sustainability)
Maruti Suzuki India Limited, 1, Nelson Mandela Road, Vasant Kunj, New Delhi 110070
Tel: 011-46781123, E-mail: ranjit.s@maruti.co.in

Financial Statements



Contents

Independent Auditor's Report

To The Members of MARUTI SUZUKI INDIA LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Maruti Suzuki India Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31 March, 2016 and the transition date opening balance sheet as at 1 April 2015 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March, 2016 and 31 March, 2015 dated 26 April, 2016 and 27 April, 2015 respectively expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer to note 38 to standalone Ind AS financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer to note 16 to standalone Ind AS financial statements.

iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November 2016 to 30 December 2016 (Refer to note 54 to standalone Ind AS financial statements). Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 27 April, 2017

Annexure “A” to The Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Maruti Suzuki India Limited** (“the Company”) as of 31 March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 27 April, 2017

Annexure B to The Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The property, plant and equipment except furniture and fixtures, office appliances and certain other property, plant and equipment having a carrying value of ₹ 1890 million, were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds / transfer deeds / conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of buildings	Amount as on 31-03-2017 (₹ in million)	Remarks
4 residential flats located in Mundra Port	10.58	Title deeds are yet to be executed.
3 residential flats in Ranchi	11.35	Title deeds are yet to be executed.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement except the following:

Particulars of buildings	Amount as on 31-03-2017 (₹ in million)	Remarks
Land situated in Kolkatta	5.55	under litigation

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals other than for stock lying with third parties and tools and machinery spares and goods in transit for which confirmations have been obtained and subsequent receipts have been verified in most of the cases. The discrepancies noted on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 March, 2017 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ In million)	Amount unpaid (₹ In million)
Income Tax Act, 1961	Income Tax	Supreme Court	2004-2006	1,098	1,098
		High Court	1991-2007	11,368	8,919
		Income Tax Appellate Tribunal (ITAT)	2002-2012	45,147	42,428
		Upto Commissioner (Appeals)	2007-2017	16	16
Wealth tax Act, 1957	Wealth tax	High Court	1997-1998	1	-
The Central Excise Act, 1944	Excise Duty	Supreme Court	2000-2006	323	323
		High Court	1986-1994	517	517
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2002-2016	12,392	10,317
		Upto Commissioner (Appeals)	2004-2016	66	62
The Finance Act, 1994	Service Tax	High Court	2009-2012	84	62
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2003-2015	3,357	3,182
		Upto Commissioner (Appeals)	2010-2016	50	47
Customs Act, 1962	Customs Duty	High Court	2004-2005	27	3
		Commissioner Customs	1991-2014	51	51
Sales Tax Laws	Haryana General Sales Tax Act	Sales Tax Appellate Tribunal	2009-2010	16	-
	Haryana General Sales Tax Act	Assessing Authority	1984-1989	4	4
	Delhi sales tax Act	Assessing Authority	1987-1991	47	45

* amount as per demand orders including interest and penalty wherever quantified in the Order.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has neither taken any loans or borrowings from financial institutions or government nor issued any debentures during the year.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 27 April, 2017

Balance Sheet

As at March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	**As at 31.03.2017**	As at 31.03.2016	As at 01.04.2015
ASSETS				
Non-current assets				
Property, plant and equipment	4	129,162	121,631	117,199
Capital work-in-progress	4	12,523	10,069	18,169
Intangible assets	5	3,730	3,469	2,923
Financial assets				
Investments	6	262,147	188,754	106,554
Loans	7	3	4	6
Other financial assets	9	238	231	607
Other non-current assets	12	16,031	16,782	16,446
Total non-current assets		**423,834**	**340,940**	**261,904**
Current assets				
Inventories	10	32,622	31,321	26,859
Financial assets				
Investments	6	20,137	10,568	32,960
Trade receivables	8	11,992	13,222	11,157
Cash and bank balances	11	131	391	183
Loans	7	25	31	21
Other financial assets	9	950	1,478	2,005
Current tax assets (Net)	21	4,854	4,854	4,916
Other current assets	12	15,388	16,595	12,609
Total current assets		**86,099**	**78,460**	**90,710**
Total assets		**509,933**	**419,400**	**352,614**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	1,510	1,510	1,510
Other equity	14	360,201	297,332	252,709
Total Equity		**361,711**	**298,842**	**254,219**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	15	-	-	1,448
Provisions	17	219	148	203
Deferred tax liabilities (Net)	18	4,640	1,943	884
Other non-current liabilities	19	11,050	8,075	6,248
Total non-current liabilities		**15,909**	**10,166**	**8,783**
Current liabilities				
Financial liabilities				
Borrowings	15	4,836	774	354
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	20	832	533	590
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	82,841	73,540	56,217
Other financial liabilities	16	13,027	11,971	11,309
Provisions	17	4,490	3,989	4,089
Current tax liabilities (Net)	21	8,036	7,956	7,311
Other current liabilities	19	18,251	11,629	9,742
Total current liabilities		**132,313**	**110,392**	**89,612**
Total liabilities		**148,222**	**120,558**	**98,395**
Total equity and liabilities		**509,933**	**419,400**	**352,614**

The accompanying notes are forming part of these financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

SHIGETOSHI TORII
Director
DIN : 06437336

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Statement of Profit and Loss
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	For the Year ended 31.03.2017	For the Year ended 31.03.2016
I	Revenue from operations	22	772,662	650,546
II	Other income	23	22,798	14,610
III	**Total Income (I+II)**		**795,460**	**665,156**
IV	**Expenses**			
	Cost of materials consumed	24.1	426,296	3,54,839
	Purchases of stock-in-trade	53	44,821	32,066
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.2	(3,801)	69
	Excise duty		92,314	75,165
	Employee benefits expense	25	23,310	19,788
	Finance costs	26	894	815
	Depreciation and amortisation expense	27	26,021	28,202
	Other expenses	28	87,228	80,377
	Vehicles / dies for own use		(1,036)	(602)
	Total expenses (IV)		**696,047**	**590,719**
V	**Profit before tax (III - IV)**		**99,413**	**74,437**
VI	**Tax expense**			
	Current tax	29	23,317	20,414
	Deferred tax	29	2,719	380
			26,036	20,794
VII	**Profit for the period (V - VI)**		**73,377**	**53,643**
VIII	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) gain / (loss) of defined benefit obligation	14.4	(158)	(99)
	(b) gain / (loss) on change in fair value of equity instruments	14.5	2,361	99
			2,203	-
	A (ii) Income tax relating to items that will not be reclassified to profit or loss		61	44
	B (i) Items that will be reclassified to profit or loss			
	(a) effective portion of gain / (loss) on hedging instruments in a cash flow hedge	14.6	(72)	40
			(72)	40
	B (ii) Income tax relating to items that will be reclassified to profit or loss		25	(14)
	Total Other Comprehensive Income (A (i+ii)+B(i+ii))		**2,217**	**70**
IX	**Total Comprehensive Income for the period (VII + VIII)**		**75,594**	**53,713**
	Earnings per equity share	31		
	Basic		242.91	177.58
	Diluted		242.91	177.58

The accompanying notes are forming part of these financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

SHIGETOSHI TORII
Director
DIN : 06437336

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Statement of Changes in Equity
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

a. Equity share capital

	Amount
Balance at 1st April, 2015	1,510
Changes in equity share capital during the year	-
Balance at 31st March, 2016	1,510
Changes in equity share capital during the year	-
Balance at 31st March, 2017	1,510

b. Other equity

	Reserves and Surplus				Items of other comprehensive income		
	Reserves created on amalgamation	Securities premium reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Total
Balance at April 1, 2015	**9,153**	**4,241**	**24,738**	**210,116**	**4,440**	**21**	**252,709**
Profit for the year	-	-	-	53,643	-	-	53,643
Other comprehensive income for the year, net of income tax	-	-	-	(61)	105	26	70
Total comprehensive income for the year	**-**	**-**	**-**	**53,582**	**105**	**26**	**53,713**
Payment of dividend (₹ 25 per share)	-	-	-	(7,552)	-	-	(7,552)
Tax on Dividend	-	-	-	(1,538)	-	-	(1,538)
Transfer from retained earnings	-	-	4,571	(4,571)	-	-	-
Balance at March 31, 2016	**9,153**	**4,241**	**29,309**	**250,037**	**4,545**	**47**	**297,332**
Profit for the year	-	-	-	73,377	-	-	73,377
Other comprehensive income for the year, net of income tax	-	-	-	(100)	2,364	(47)	2,217
Total comprehensive income for the year	**-**	**-**	**-**	**73,277**	**2,364**	**(47)**	**75,594**
Payment of dividend (₹ 35 per share)	-	-	-	(10,573)	-	-	(10,573)
Tax on Dividend	-	-	-	(2,152)	-	-	(2,152)
Transfer from retained earnings	-	-	-	-	-	-	-
Balance at March 31, 2017	**9,153**	**4,241**	**29,309**	**310,589**	**6,909**	**-**	**360,201**

The accompanying notes are forming part of these financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

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Director
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S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Cash Flow Statement
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	For the year ended 31.03.2017	For the year ended 31.03.2016
A.	**Cash flow from Operating Activities:**			
	Profit before tax		99,413	74,437
	Adjustments for:			
	Depreciation and amortisation expense	27	26,021	28,202
	Finance costs	26	894	815
	Interest income	23	(372)	(1,510)
	Dividend income	23	(129)	(107)
	Net loss on sale / discarding of property, plant and equipment	28	632	1,353
	Net gain on sale of investments in associates	23	(209)	-
	Net gain on sale of investments in debt mutual funds	23	(612)	(974)
	Fair valuation gain on investment in debt mutual funds	23	(21,203)	(12,019)
	Liabilities no longer required written back	22	(35)	(694)
	Unrealised foreign exchange (gain)/ loss		(320)	(190)
	Operating Profit before Working Capital changes		**104,080**	**89,313**
	Adjustments for changes in Working Capital :			
	- (Increase)/decrease in loans (non-current)	7	1	2
	- (Increase)/decrease in other financial assets (non-current)	9	(7)	376
	- (Increase)/decrease in other non-current assets	12	(320)	66
	- (Increase)/decrease in inventories	10	(1,301)	(4,462)
	- (Increase)/decrease in trade receivables	8	1,237	(2,053)
	- (Increase)/decrease in loans (current)	7	6	(10)
	- (Increase)/decrease in other financial assets (current)	9	635	258
	- (Increase)/decrease in other current assets	12	1,049	(3,200)
	- Increase/(decrease) in non-current provisions	17	71	(55)
	- Increase/(decrease) in other non-current liabilities	19	2,975	1,827
	- Increase/(decrease) in trade payables	20	9,785	17,916
	- Increase/(decrease) in other financial liabilities (current)	16	686	2,078
	- Increase/(decrease) in current provisions	17	501	(100)
	- Increase/(decrease) in other current liabilities	19	6,622	1,988
	Cash generated from Operating Activities		**126,020**	**103,944**
	- Income taxes paid (net)		(23,173)	(19,099)
	Net Cash from Operating Activities		**102,847**	**84,845**

Cash Flow Statement
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	For the year ended 31.03.2017	For the year ended 31.03.2016
B.	**Cash flow from Investing Activities:**			
	Payments for purchase of property, plant and equipment and capital work in progress	4	(32,498)	(24,663)
	Payments for purchase of intangible assets	5	(1,388)	(1,787)
	Proceeds from sale of property, plant and equipment	4	163	123
	Proceeds from sale of investment in associate company	6	219	-
	Proceeds from sale of debt mutual funds	6	118,359	73,335
	Payments for purchase of debt mutual funds	6	(177,155)	(120,050)
	Interest received	23	356	661
	Dividend received	23	129	107
	Net Cash from / (used in) Investing Activities		**(91,815)**	**(72,274)**
C.	**Cash flow from Financing Activities:**			
	Proceeds from short term borrowings	15	4,836	774
	Repayment of short term borrowings	15	(774)	(354)
	Repayment of long term borrowings	15	(1,535)	(2,773)
	Finance cost paid	26	(1,095)	(921)
	Payment of dividend on equity shares	14.4	(10,573)	(7,552)
	Related income tax	14.4	(2,152)	(1,538)
	Net Cash from / (used in) Financing Activities		**(11,293)**	**(12,364)**
	Net Increase/(Decrease) in cash & cash equivalents		**(261)**	**207**
	Cash and cash equivalents at the beginning of the year		**384**	**177**
	Cash and cash equivalents at the end of the year		**123**	**384**
	Cash and cash equivalents comprises :			
	Cash and cheques in hand	11	6	15
	Balance with Banks	11	117	369
			123	**384**

The accompanying notes are forming part of these financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

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DIN : 06437336

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

1 General Information

Maruti Suzuki India Limited ("The Company") is a public limited company incorporated and domiciled in India, listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is #1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. The Company is a subsidiary of Suzuki Motor Corporation, Japan. The principal activities of the Company are manufacturing, purchase and sale of motor vehicles, components and spare parts. The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Upto the year ended 31st March, 2016, the Company prepared the financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act. These are the Company's first Ind AS financial statements. The date of transition to the Ind AS is 1st April, 2015. Refer to note 43.1 for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below.

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

2.3 Going concern

The board of directors have considered the financial position of the Company at 31st March 2017 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Note 32	: Provision for employee benefits
Note 17 & 38	: Provision for litigations
Note 17	: Provision for warranty and product recall

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, sales incentives, value added taxes.

The Company recognises revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk and reward and degree of managerial involvement associated with ownership or effective control have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

2.5.1 Sale of goods

Domestic and export sales are accounted on transfer of significant risks and rewards to the customer and also no

(All amounts in ₹ million, unless otherwise stated)

continuing involvement of management to the degree associated with ownership nor effective control over the goods sold which takes place on dispatch of goods from the factory and the port respectively.

2.5.2 Income from services
Income from services are accounted over the period of rendering of services.

2.5.3 Income from royalty
Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangement.

2.5.4 Dividend and interest income
Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.6 Leasing
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.6.1 The Company as lessor
Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

2.6.2 The Company as lessee
Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 2.8 below).

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

Upfront amount paid for land taken on lease is amortised over the period of lease.

2.7 Foreign currencies
2.7.1 Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

2.7.2 Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

2.8 Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.9 Employee benefits
2.9.1 Short-term obligations
Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

2.9.2 Other long-term employee benefit obligations
Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.9.3 Post-employment obligations
Defined benefit plans
The Company has defined benefit plans namely gratuity, provident fund and retirement allowance for employees. The gratuity fund and provident fund are recognised by the income tax authorities and are administered through trusts set up by the Company. Any shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans
The Company has defined contribution plans for post-employment benefit namely the superannuation fund which is recognised by the income tax authorities. This fund is administered through a trust set up by the Company and the Company's contribution thereto is charged to profit or loss every year. The Company has no further payment obligations once the contributions have been paid. The Company also maintains an insurance policy to fund a post-employment medical assistance scheme, which is a defined contribution plan. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the statement of profit and loss every year.

Termination benefits
A liability for the termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

2.10 Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

2.10.1 Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.10.2 Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(All amounts in ₹ million, unless otherwise stated)

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.10.3 Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.11 Property, plant and equipment
Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value
Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Building	3-60 years
Plant and machinery other than Dies and Jigs	8-11 years
Dies and jigs	5 years
Electronic data processing equipment	3 years
Furniture and fixtures	10 years
Office appliances	5 years
Vehicles	8 years

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

All assets, the individual written down value of which at the beginning of the year is ₹ 5,000 or less, are depreciated at the rate of 100%. Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

Freehold land/Leasehold land in the nature of perpetual lease is not amortised.

2.12 Intangible assets
2.12.1 Intangible assets acquired separately
Lump sum royalty and engineering support fee is carried at cost which is incurred and stated in the relevant licence agreement with the technical knowhow / engineering support provider less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.12.2 Amortisation methods and useful lives
Lump sum royalty and engineering support fee is amortised on a straight line basis over its estimated useful life i.e. 5 years from the start of production of the related model. An intangible asset is derecognised when no future economic benefits are expected from use.

2.12.3 Deemed cost on transition to Ind AS
For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

2.13 Impairment of tangible and intangible assets
At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.14 Inventories
Inventories are valued at the lower of cost, determined on the weighted average basis and net realisable value.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Loose tools are written off over a period of three years except for tools valued at ₹ 5,000 or less individually which are charged to profit or loss in the year of purchase.

Machinery spares (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged to profit or loss on consumption except those valued at ₹ 5,000 or less individually, which are charged to revenue in the year of purchase.

2.15 Provisions and contingencies
Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

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

2.16 Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

2.17 Financial assets
All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.17.1 Classification of financial assets
Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.

- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

- cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

2.17.2 Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Company has equity investments in certain entities which are not held for trading. The Company has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in profit or loss.

2.17.3 Equity investment in subsidiaries, associates and joint ventures

Investments representing equity interest in subsidiaries, associates and joint ventures are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.17.4 Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Investments in debt based mutual funds are measured at fair value through profit and loss.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

2.17.5 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

2.17.6 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

2.17.7 Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following :

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

- financial assets measured at amortised cost

- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or

- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

2.17.8 Derecognition of financial assets
A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

2.17.9 Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

2.18 Financial liabilities and equity instruments
2.18.1 Classification of debt or equity
Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.18.2 Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2.18.3 Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

2.18.3.1 Trade and other payables
Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

2.18.3.2 Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.18.3.3 Foreign exchange gains or losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.18.3.4 Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.19 Derivative financial instruments
The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage

(All amounts in ₹ million, unless otherwise stated)

its exposure to foreign exchange rate risks and commodity price risks. Further details of derivative financial instruments are disclosed in note 33.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument which is recognised in other comprehensive income (net of tax) and presented as a separate component of equity which is later reclassified to profit or loss when the hedge item affects profit or loss.

2.19.1 Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

2.20 Hedge accounting

The Company designates certain hedging instruments, in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an on-going basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in the fair value of these contracts that are designated and effective as hedges of future cash flows are recognised in other comprehensive income (net of tax) and the ineffective portion is recognised immediately in the profit or loss. Amount accumulated in equity are reclassified to the profit or loss in the periods in which the forecasted transaction occurs.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in other equity is retained there until the forecast transaction occurs.

Note 33 sets out details of the fair values of the derivative instruments used for hedging purposes.

2.21 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.22 Earning Per Share

Basic earning per share has been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earning per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

2.23 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

2.24 Royalty

The Company pays / accrues for royalty in accordance with the relevant licence agreements.

2.25 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

3 Applicability of New and Revised Ind AS

Ind AS 7 has been amended in March 2017 to require an entity to enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Company is evaluating the requirements of the amendment and its effect on the financial statements.

Further, the amendment to Ind AS 102 provides guidance to measurement of cash settled, modification of cash settled awards and awards that include a net settlement feature in respect of witholding taxes. This amendment is not applicable to the Company.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

4 Property, Plant and Equipment and Capital Work-In-Progress

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Carrying amount of			
Freehold Land	19,039	18,452	17,852
Leasehold Land *	525	525	525
Buildings	16,574	14,314	13,252
Plant & Machinery	90,389	86,065	83,804
Electronic Data Processing (EDP) Equipment	608	483	484
Furniture, Fixtures and Office Appliances	975	888	569
Vehicles	1,052	904	713
	129,162	**121,631**	**117,199**
Capital work-in-progress #	12,523	10,069	18,169
	141,685	**131,700**	**135,368**

* In the nature of perpetual lease

\# Capital work-in-progress as at 31st March 2017 includes plant and machinery aggregating to ₹ 5,139 million for which trial production commenced during the current year.

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	EDP Equipment	Furniture, Fixtures and Office Appliances	Vehicles	Total
Cost or deemed cost								
Deemed cost at 1st April, 2015	17,852	525	13,252	83,804	484	569	713	117,199
Addition	600	-	1,776	28,243	343	531	594	32,087
Disposal / adjustments*	-	-	-	(459)	-	(18)	(273)	(750)
Balance at 31st March, 2016	**18,452**	**525**	**15,028**	**111,588**	**827**	**1,082**	**1,034**	**148,536**
Addition	587	-	3,257	28,210	518	307	523	33,402
Disposal / adjustments*	-	-	(42)	(965)	(1)	2	(262)	(1,268)
Balance at 31st March, 2017	**19,039**	**525**	**18,243**	**138,833**	**1,344**	**1,391**	**1,295**	**180,670**
Accumulated depreciation and impairment as at 1st April, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expenses	-	-	714	25,590	344	194	147	26,989
Disposal / adjustments*	-	-	-	(67)	-	-	(17)	(84)
Balance at 31st March, 2016	**-**	**-**	**714**	**25,523**	**344**	**194**	**130**	**26,905**
Depreciation expenses		-	956	23,341	392	224	163	25,076
Disposal / adjustments*		-	(1)	(420)	-	(2)	(50)	(473)
Balance at 31st March, 2017	**-**	**-**	**1,669**	**48,444**	**736**	**416**	**243**	**51,508**
Carrying amount								
Deemed cost at 1st April, 2015	17,852	525	13,252	83,804	484	569	713	117,199
Addition	600	-	1,776	28,243	343	531	594	32,087
Disposal / adjustments*	-	-	-	(392)	-	(18)	(256)	(666)
Depreciation expenses	-	-	(714)	(25,590)	(344)	(194)	(147)	(26,989)
Balance at 31st March, 2016	**18,452**	**525**	**14,314**	**86,065**	**483**	**888**	**904**	**121,631**
Addition	587	-	3,257	28,210	518	307	523	33,402
Disposal / adjustments*	-	-	(41)	(545)	(1)	4	(212)	(795)
Depreciation expenses	-	-	(956)	(23,341)	(392)	(224)	(163)	(25,076)
Balance at 31st March, 2017	**19,039**	**525**	**16,574**	**90,389**	**608**	**975**	**1,052**	**129,162**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

4.1 Notes on property, plant and equipment

1 Immovable properties having carrying value of ₹ 27 million (as at 31.03.16 ₹ 14 million; as at 01.04.15 ₹ 14 million) are not yet registered in the name of the Company.

2 Plant and Machinery includes a Gas Turbine jointly owned by the Company with its group companies and other companies (pro-rata cost amounting to ₹ 374 million, carrying amount as at 31st March 2017 Nil (as at 31.03.16 Nil; deemed cost as at 01.04.15 Nil).

3 A part of freehold land of the Company situated at Gurgaon, Manesar and Gujarat has been made available to its group companies / fellow subsidiary.

4 Based on technical evaluation and market considerations, the Company has, with effect from 1st April 2016, revised the estimated useful life of dies & jigs, included in plant and machinery, from 4 years to 5 years. This has resulted in depreciation expense for the current year being lower by ₹ 2,411 million.

* Adjustment includes the intra-head re-grouping of amounts.

5 Intangible Assets

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Carrying amount of			
Lumpsum royalty and engineering support fee	3,730	3,469	2,923
	3,730	**3,469**	**2,923**

	Lumpsum royalty and engineering support fee
Cost or deemed cost	
Deemed cost at 1st April, 2015	2,923
Addition	1,759
Balance at 31st March, 2016	**4,682**
Addition	1,206
Balance at 31st March, 2017	**5,888**
Accumulated amortisation and impairment	
as at 1st April, 2015	-
Amortisation expenses	1,213
Balance at 31st March, 2016	**1,213**
Amortisation expenses	945
Balance at 31st March, 2017	**2,158**
Carrying amount	
Deemed cost at 1st April, 2015	2,923
Addition	1,759
Amortisation expenses	(1,213)
Balance at 31st March, 2016	**3,469**
Addition	1,206
Amortisation expenses	(945)
Balance at 31st March, 2017	**3,730**

5.1 Notes on intangible assets

1 Based on technical evaluation and market considerations, the Company has, with effect from 1st April 2016, revised the estimated useful life of intangible asset from 4 years to 5 years. This has resulted in amortisation expense for the current year being lower by ₹ 307 million.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6 Investments

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Investment in equity instruments			
- Subsidiary companies	91	91	91
- Associate companies	1,082	1,092	1,092
- Joint venture companies	152	152	152
- Others	7,301	4,939	4,839
Investment in preference shares	-	-	-
Investment in debt mutual funds	253,521	182,480	100,380
	262,147	**188,754**	**106,554**
Current			
Investment in debt mutual funds	20,137	10,568	32,960
	20,137	**10,568**	**32,960**
Aggregate value of unquoted investments	275,324	194,614	134,932
Aggregate value of quoted investments	7,010	4,758	4,632
Market value of quoted investments	10,274	5,839	5,624
Aggregate value of diminition other than temporary in value of investments	50	50	50

6.1 Investment in subsidiaries

Break-up of investment in subsidiaries (carrying amount at cost)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Unquoted investment (fully paid up)						
J.J Impex (Delhi) Private Limited (Face value of ₹ 10 each)	4,476,250	76.0	4,476,250	76.0	4,476,250	76.0
True Value Solutions Limited (Face value of ₹ 10 each)	50,000	0.5	50,000	0.5	50,000	0.5
Maruti Insurance Business Agency Limited (Face value of ₹ 10 each)	150,000	1.5	150,000	1.5	150,000	1.5
Maruti Insurance Distribution Services Limited (Face value of ₹ 10 each)	150,000	1.5	150,000	1.5	150,000	1.5
Maruti Insurance Agency Network Limited (Face value of ₹ 10 each)	150,000	1.5	150,000	1.5	150,000	1.5
Maruti Insurance Agency Solutions Limited (Face value of ₹ 10 each)	150,000	1.5	150,000	1.5	150,000	1.5
Maruti Insurance Agency Services Limited (Face value of ₹ 10 each)	150,000	1.5	150,000	1.5	150,000	1.5
Maruti Insurance Agency Logistic Limited (Face value of ₹ 10 each)	150,000	1.5	150,000	1.5	150,000	1.5
Maruti Insurance Broker Limited (Face value of ₹ 10 each)	500,000	5.0	500,000	5.0	500,000	5.0
Total aggregate unquoted investment		**91**		**91**		**91**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6.2 Investment in associates

Break-up of investment in associates (carrying amount at cost)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Quoted investment (fully paid up)						
Bharat Seats Limited (Face value of ₹ 2 each)	4,650,000	5	4,650,000	5	4,650,000	5
Jay Bharat Maruti Limited (Face value of ₹ 5 each)	6,340,000	16	6,340,000	16	6,340,000	16
Machino Plastics Limited (Face value of ₹ 10 each)	941,700	5	941,700	5	941,700	5
Total aggregate quoted investment (A)		**26**		**26**		**26**
Aggregate market value of quoted investment		**3,290**		**1,107**		**1,018**

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Unquoted investment (fully paid up)						
Caparo Maruti Limited (Face value of ₹ 10 each)	2,500,000	25	2,500,000	25	2,500,000	25
Hanon Climate Systems India Private Limited (Face value of ₹ 100 each)	518,700	52	518,700	52	518,700	52
Krishna Maruti Limited (Face value of ₹ 10 each)	670,000	7	670,000	7	670,000	7
SKH Metals Limited (Face value of ₹ 10 each)	2,645,000	49	2,645,000	49	2,645,000	49
Nippon Thermostat (India) Limited (Face value of ₹ 10 each)	125,000	1	125,000	1	125,000	1
Mark Exhaust Systems Limited (Face value of ₹ 10 each)	4,437,465	57	4,437,465	57	4,437,465	57
Bellsonica Auto Components India Private Limited (Face value of ₹ 100 each)	3,540,000	354	3,540,000	354	3,540,000	354
FMI Automotive Components Private Limited (Face value of ₹ 10 each)	44,100,000	441	44,100,000	441	44,100,000	441
Krishna Ishizaki Auto Limited (Face value of ₹ 10 each)	-	-	734,880	10	734,880	10
Manesar Steel Processing India Private Limited (Face value of ₹ 10 each)	6,840,000	68	6,840,000	68	6,840,000	68
Maruti Insurance Broking Private Limited (Face value of ₹ 10 each)	231,275	2	231,275	2	231,275	2
Total aggregate unquoted investment (B)		**1,056**		**1,066**		**1,066**
Total investments carrying value (A) + (B)		**1,082**		**1,092**		**1,092**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6.3 Investment in joint ventures

Break-up of investment in joint ventures (carrying amount at cost)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Unquoted investment (fully paid up)						
Plastic Omnium Auto Inergy Manufacturing India Private Limited (Face value of ₹ 10 each)	6,656,000	67	6,656,000	67	6,656,000	67
Magneti Marelli Powertrain India Limited (Face value of ₹ 10 each)	8,550,000	85	8,550,000	85	8,550,000	85
Total aggregate unquoted investment		**152**		**152**		**152**

6.4 Other equity instruments

Investment in equity instruments at fair value through other comprehensive income

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Quoted investment (fully paid up)						
Asahi India Glass Limited (Face value of ₹ 1 each)	26,995,200	5,857	26,995,200	4,090	26,995,200	3,913
Sona Koyo Steering Systems Limited (Face value of ₹ 1 each)	13,800,000	1,127	13,800,000	642	13,800,000	693
Total aggregate quoted investment (i)		**6,984**		**4,732**		**4,606**

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Unquoted investment (fully paid up)						
Denso India Private Limited (Face value of ₹ 10 each)	2,862,758	316	2,862,758	206	2,862,758	233
Total aggregate unquoted investment (ii)		**316**		**206**		**233**
Investment in equity shares of Section 8 Company						
International Automobile Centre of Excellence (Face value of ₹ 10 each)	100,000	1	100,000	1		-
Investment in equity shares of Section 8 Company (iii)		1		1		-
Investment in other equity instruments [i+ii+iii]		**7,301**		**4,939**		**4,839**

6.5 Investment in preference share

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Western Paques (India) Limited (Face value of ₹ 100 each)	500,000	50	500,000	50	500,000	50
Less: provision for diminution in value		(50)		(50)		(50)
		-		-		-

6.6 Investment in debt mutual funds

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non current investment in debt mutual funds	253,521	182,480	100,380
Current investment in debts mutual funds	20,137	10,568	32,960

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Schemewise comparative investment for Balance Sheet Disclosure.

Description	Face Value	Numbers as at			As at					
	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
Axis Banking & PSU Debt Fund [Earlier name Axis Banking Debt Fund Direct Plan]	1,000	683,014	683,014	255,691	-	1,030	-	952	-	328
Axis Fixed Term Plan Series 47 (483 Days)	10	-	-	25,000,000	-	-	-	-	279	-
Axis Short Term Fund	10	333,002,109	74,879,353	42,568,240	-	6,128	-	1,257	-	655
Baroda Pioneer Fixed Maturity Plan Series N Plan B (12.4 Months)	10	-	-	15,000,000	-	-	-	-	164	-
Birla Sunlife Fixed Term Plan Series FW	10	-	-	25,000,000	-	-	-	-	312	-
Birla Sunlife Fixed Term Plan Series JI 1099 Days (Earlier 368 Days)	10	-	20,000,000	20,000,000	-	-	243	-	-	224
Birla Sunlife Fixed Term Plan Series JQ 1099 Day (Earlier 368 Days)	10	-	60,000,000	60,000,000	-	-	726	-	-	668
Birla Sunlife Fixed Term Plan Series JY 1099 Days (Earlier 367 Days)	10	-	20,000,000	20,000,000	-	-	241	-	-	222
Birla Sunlife Fixed Term Plan Series KC 1099 Days (Earlier 368 Days)	10	-	20,000,000	20,000,000	-	-	241	-	-	222
Birla Sunlife Govt. Securities Long Term	10	11,596,220	11,596,220	11,596,220	-	579	-	519	-	487
Birla Sunlife Fixed Term Plan Series LG 1157 Day (Earlier 367 Days)	10	60,000,000	60,000,000	80,000,000	766	-	-	708	869	-
Birla Sunlife Fixed Term Plan Series LV (1099 Days)	10	20,000,000	20,000,000	20,000,000	251	-	-	232	-	213
Birla Sunlife Fixed Term Plan Series MA (1099 Days)	10	20,000,000	20,000,000	20,000,000	248	-	-	229	-	210
Birla Sunlife Fixed Term Plan Series MD (1099 Days)	10	50,000,000	50,000,000	50,000,000	613	-	-	563	-	518
Birla Sunlife Fixed Term Plan Series MX (1128 Days)	10	40,000,000	40,000,000	-	-	457	-	418	-	-
Birla Sunlife Fixed Term Plan Series MY (1107 Days)	10	50,000,000	50,000,000	-	-	565	-	516	-	-
Birla Sunlife Dynamic Bond Fund	10	234,032,609	234,032,609	234,032,609	-	6,955	-	6,268	-	5,773
Birla Sunlife Income Plus	10	35,314,419	35,314,419	35,314,419	-	2,668	-	2,384	-	2,257
Birla Sunlife Saving Fund	100	6,332,053	6,332,053	6,332,053	-	2,027	-	1,860	-	1,707
Birla Sunlife Short Term Fund	10	336,711,177	213,663,534	40,441,709	-	21,059	-	12,193	-	2,121
Birla Sunlife Treasury Optimizer Plan	100	1,141,130	1,141,130	-	-	240	-	217	-	-
DSP Black Rock Strategic Bond Fund	10	1,705,807	1,705,807	1,407,588	-	3,395	-	3,064	-	2,371
DSP BlackRock Fixed Maturity Plan Series 163 12 Month		-	-	25,000,000	-	-	-	-	272	-
DSP Black Rock Short Term Fund	10	122,966,814	-	-	-	3,521	-	-	-	-
DSP Black Rock Ultra Short Term Fund	10	168,710,431	-	-	-	2,009	-	-	-	-
DHFL Pramerica Banking & PSU Debt Fund (Earlier name DWS Banking & PSU Debt Fund)	10	68,382,816	68,382,816	-	-	984	-	904	-	-
DWS Fixed Maturity Plan Series 57	10	-	-	50,000,000	-	-	-	-	549	-
DHFL Pramerica Premier Bond Fund (Earlier name DWS Premier Bond Fund)	10	-	25,923,526	25,923,526	-	-	-	643	-	597
DHFL Pramerica Gilt Fund (Earlier name DWS Gilt Fund)	10	38,515,757	38,515,757	38,515,757	-	705	-	638	-	593
DHFL Pramerica Short Term Floating Rate Fund (Earlier name DWS Treasury Fund Investment Plan)	10	45,187,833	45,187,833	45,187,833	-	821	-	759	-	700
DHFL Pramerica Ultra Short Term Fund (Earlier name DWS Ultra Short Term Fund)	10	55,129,962	55,129,962	55,129,962	-	653	-	604	-	553
DWS Interval Fund Annual Plan Series 1	10	-	-	24,205,730	-	-	-	-	280	-
DHFL Pramerica Fixed Maturity Plan Series 82 (Earlier name DWS Fixed Maturity Plan Series 82)	10	25,000,000	25,000,000	25,000,000	306	-	-	281	-	258
DHFL Pramerica Fixed Maturity Plan Series 85 (Earlier name DWS Fixed Maturity Plan Series 85)	10	30,000,000	30,000,000	30,000,000	359	-	-	328	-	301
DHFL Pramerica Fixed Maturity Plan Series 87 (Earlier name DWS Fixed Maturity Plan Series 87)	10	50,000,000	50,000,000	50,000,000	-	596	-	545	-	501
DHFL Pramerica Fixed Maturity Plan Series 91 (Earlier name DWS Fixed Maturity Plan Series 91)	10	30,000,000	30,000,000	-	-	352	-	321	-	-
Franklin India Treasury Management Account	1,000	-	-	550,871	-	-	-	-	-	1,151
HDFC Fixed Maturity Plan 369 Days February 2014 (2) Series 29	10	30,000,000	30,000,000	30,000,000	390	-	-	361	-	332
HDFC Fixed Maturity Plan 378 Days March 2014 (1) Series 29	10	-	-	37,000,000	-	-	-	-	405	-
HDFC Fixed Maturity Plan 384 Days March 2014 (1) Series 29	10	-	-	40,000,000	-	-	-	-	439	-
HDFC FMP 1198 Days Feb 2013 (1) Series 24	10	-	5,000,000	5,000,000	-	-	65	-	-	60
HDFC Fixed Maturity Plan 369 Days January 2014 (1) Series 29	10	-	45,000,000	45,000,000	-	-	543	-	-	500
HDFC Fixed Maturity Plan 370 Days March 2014 (1) Series 29	10	25,000,000	25,000,000	25,000,000	324	-	-	300	-	276
HDFC Fixed Maturity Plan 372 Days December 2013 (1) Series 29	10	-	32,000,000	32,000,000	-	-	389	-	-	358
HDFC Floating Rate Income Fund Long Term Plan	10	65,075,825	72,897,491	72,897,491	-	1,872	-	1,926	-	1,777
HDFC Floating Rate Income Fund Short Term Plan Growth	10	92,433,479	92,433,479	-	-	2,621	-	2,413	-	-
HDFC Mediume Term Opportunity Fund	10	641,119,719	386,703,159	146,402,254	-	11,654	-	6,395	-	2,229
HDFC Fixed Maturity Plan 370 D April 2014 (1) Series 31	10	20,000,000	20,000,000	20,000,000	255	-	-	236	218	-
HDFC Fixed Maturity Plan 370 D April 2014 (2) Series 31	10	40,000,000	40,000,000	60,000,000	510	-	-	472	653	-
HDFC Fixed Maturity Plan 1111 Days November 2015 (1) Series 34	10	40,000,000	40,000,000	-	-	449	-	410	-	-
HDFC Fixed Maturity Plan 1114D March 2016 (1) Series 35	10	250,000,000	250,000,000	-	-	2,750	-	2,507	-	-
HDFC Fixed Maturity Plan 1167 Days January 2016 (1)	10	180,000,000	180,000,000	-	-	2,007	-	1,831	-	-
HDFC Fixed Maturity Plan 371 Days June 2014 (3) Series 31	10	-	-	25,000,000	-	-	-	-	267	-
HDFC Floating Rate Income Fund Short Term Plan	10	-	-	92,433,479	-	-	-	-	-	2,217

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(All amounts in ₹ million, unless otherwise stated)

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	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
HDFC High Interest Fund - Dynamic Plan	10	27,381,267	27,381,267	27,381,267	-	1,604	-	1,435	-	1,345
HDFC Income Fund	10	73,743,649	73,743,649	73,743,649	-	2,853	-	2,564	-	2,405
HDFC Short Term Opportunities Fund	10	726,177,638	472,665,120	132,564,742	-	13,144	-	7,845	-	2,026
HSBC Income Fund Short Term Plan	10	51,140,380	51,140,380	36,386,144	-	1,428	-	1,307	-	857
HSBC Fixed Term Series 109-377 Days	10	-	-	50,000,000	-	-	-	-	546	-
ICICI Prudential Fixed Maturity Plan Series 68 745 Days Plan H	10	-	35,000,000	40,000,000	-	-	441	-	467	-
ICICI Prudential Fixed Maturity Plan Series 73 376 Days Plan Q	10	-	-	38,000,000	-	-	-	-	415	-
ICICI Prudential Interval Fund Series VI Annual Interval Plan C	10	10,760,176	10,760,176	22,854,844	151	-	141	-	276	-
ICICI Prudential Blended Plan B	10	-	17,130,523	17,130,523	-	-	-	387	-	357
ICICI Prudential Fixed Maturity Plan Series 73 369 Days Plan S	10	-	-	35,000,000	-	-	-	-	382	-
ICICI Prudential Fixed Maturity Plan Series 73 369 Days Plan T	10	-	-	45,000,000	-	-	-	-	492	-
ICICI Prudential Fixed Maturity Plan Series 74 367 Days Plan D	10	60,000,000	60,000,000	85,000,000	768	-	-	710	923	-
ICICI Prudential Fixed Maturity Plan Series 74 369 Days Plan F	10	40,000,000	40,000,000	50,000,000	511	-	-	473	543	-
ICICI Prudential Fixed Maturity Plan Series 74 370 Days Plan X	10	-	-	20,000,000	-	-	-	-	213	-
ICICI Prudential Fixed Maturity Plan Series 74-369 Days Plan K	10	-	-	25,000,000	-	-	-	-	269	-
ICICI Prudential Fixed Maturity Plan Series 75- 1100 Days Plan H	10	15,000,000	15,000,000	15,000,000	188	-	-	174	-	160
ICICI Prudential Fixed Maturity Plan Series 75- 1100 Days Plan O	10	15,000,000	15,000,000	15,000,000	186	-	-	171	-	157
ICICI Prudential Fixed Maturity Plan Series 75 1100 Days Plan R	10	50,000,000	50,000,000	50,000,000	614	-	-	565	-	518
ICICI Prudential Fixed Maturity Plan Series 75 1103 Days Plan P	10	35,000,000	35,000,000	35,000,000	429	-	-	395	-	363
ICICI Prudential Fixed Maturity Plan Series 76 1100 Days Plan G	10	50,000,000	50,000,000	50,000,000	599	-	-	551	-	507
ICICI Prudential Fixed Maturity Plan Series 76 1100 Days Plan T	10	35,000,000	35,000,000	35,000,000	417	-	-	382	-	351
ICICI Prudential Fixed Maturity Plan Series 76 1103 Days Plan F	10	25,000,000	25,000,000	25,000,000	300	-	-	276	-	254
ICICI Prudential Fixed Maturity Plan Series 76 1155 Days Plan K	10	30,000,000	30,000,000	30,000,000	-	361	-	331	-	304
ICICI Prudential Banking and PSU Debt Fund	10	141,291,460	141,291,460	70,952,678	-	2,675	-	2,403	-	1,107
ICICI Prudential Flexible Income	100	11,858,050	11,858,050	9,596,222	-	3,707	-	3,403	-	2,529
ICICI Prudential Income Fund	10	48,662,288	48,662,288	48,662,288	-	2,653	-	2,334	-	2,186
ICICI Prudential Income Opportunities Fund	10	103,095,285	103,095,285	82,661,789	-	2,405	-	2,172	-	1,616
ICICI Prudential Saving Fund	100	-	-	3,792,553	-	-	-	-	-	797
ICICI Prudential Ultra Short Term Direct Plan	10	713,250,632	551,079,506	-	-	12,205	-	8,600	-	-
IDFC Dynamic Bond Fund	10	200,427,616	200,427,616	200,427,616	-	4,199	-	3,680	-	3,469
IDFC Government Securities Fund Investment Plan	10	20,690,838	20,690,838	20,690,838	-	423	-	370	-	350
IDFC Super Saver Income Fund Medium Term Plan	10	-	-	37,686,075	-	-	-	-	-	903
IDFC Super Saver Income Fund Short Term Plan	10	-	-	76,757,984	-	-	-	-	-	2,228
IDFC Money Manager Fund Investment Plan	10	125,124,014	105,056,990	62,901,943	-	3,221	-	2,480	-	1,368
IDFC Banking Debt Fund	10	91,140,256	91,140,256	91,140,256	-	1,275	-	1,189	-	1,095
IDFC Corporate Bond Fund	10	681,053,726	-	-	-	7,639	-	-	-	-
IDFC Super Saver Income Fund Short Term Plan	10	134,579,249	134,579,249	-	-	4,619	-	4,244	-	-
IDFC Super Saver Income Fund Medium Term Plan	10	37,686,075	37,686,075	-	-	1,076	-	977	-	-
IDFC Yearly Series Interval Fund Direct Plan Series I	10	-	41,835,157	44,154,984	-	-	550	-	534	-
IDFC Yearly Series Interval Fund Direct Plan Series II	10	-	21,079,644	21,079,644	-	-	279	-	256	-
IDFC Fixed Term Plan Series 88 (372 Days)	10	-	-	21,000,000	-	-	-	-	230	-
JM Money Manager Fund Super Plus Plan Growth Option	10	37,591,347	37,591,347	-	-	876	-	809	-	-
JP Morgan Fixed Maturity Plan Series 23	10	-	8,000,000	8,000,000	-	-	102	-	-	94
JP Morgan Income Fund Series 301	10	-	-	85,121,701	-	-	-	-	1,057	-
Edelweiss Bond Fund [Earlier name JP Morgan Active Income Bond Fund]	10	63,048,829	93,948,790	93,948,790	-	1,141	-	1,560	-	1,458
Edelweiss Liquid Fund [Earlier name JP Morgan India Liquid Fund] "	10	52,935,460	99,231,756	197,154,896	-	644	-	1,131	-	2,083
Kotak Bond Fund [Earlier name Kotak Bond Scheme Plan A]	10	84,088,525	84,088,525	84,088,525	-	4,016	-	3,618	-	3,407
Kotak Bond Short Term	10	268,906,154	20,779,182	-	-	8,508	-	597	-	-
Kotak Treasury Advantage Fund	10	144,239,928	144,239,928	80,748,992		3,802	-	3,513	-	1,808
Kotak Fixed Maturity Plan Series 136	10	-	35,000,000	35,000,000	-	-	422	-	-	389
Kotak Fixed Maturity Plan Series 142	10	35,000,000	35,000,000	50,000,000	453	-	-	420	553	-
Kotak Fixed Maturity Plan Series 147	10	-	-	40,000,000	-	-	-	-	439	-
Kotak Fixed Maturity Plan Series 150	10	25,000,000	25,000,000	25,000,000	328	-	-	302	-	279
Kotak Fixed Maturity Plan Series 151	10	25,000,000	25,000,000	40,000,000	319	-	-	296	437	-
Kotak Fixed Maturity Plan Series 155	10	-	-	40,000,000	-	-	-	-	437	-
Kotak Fixed Maturity Plan Series 156	10	18,000,000	18,000,000	55,000,000	229	-	-	212	599	-
Kotak Fixed Maturity Plan Series 157	10	-	-	60,000,000	-	-	-	-	653	-
Kotak Fixed Maturity Plan Series 158	10	25,000,000	25,000,000	40,000,000	318	-	-	295	435	-
Kotak Fixed Maturity Plan Series 159	10	20,000,000	20,000,000	30,000,000	254	-	-	236	326	-
Kotak Fixed Maturity Plan Series 171	10	20,000,000	20,000,000	20,000,000	240	-	-	220	-	203
Kotak Fixed Maturity Plan Series 176	10	25,000,000	25,000,000	-	-	290	-	265	-	-
Kotak Fixed Maturity Plan Series 178	10	45,000,000	45,000,000	-	-	517	-	473	-	-
L & T Fixed Maturity Plan Series X Plan S	10	-	-	25,000,000	-	-	-	-	273	-

Notes to the Financial Statements

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	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
L & T Fixed Maturity Plan Series X Plan T	10	-	-	43,000,000	-	-	-	-	470	-
L& T Ultra Short Term Fund	10	55,748,239	55,748,239	122,646,125	-	818	-	755	-	1,526
L&T Liquid Fund	1,000	-	-	263,266	-	-	-	-	-	505
L & T Short Term Opportunities Fund	10	180,948,268	154,350,401	-	-	2,884	-	2,259	-	-
LIC Nomura MF Fixed Maturity Plan Series 76 382 Days	10	-	-	20,000,000	-	-	-	-	218	-
LIC Nomura MF Fixed Maturity Plan Series 79 373 Days	10	-	-	20,000,000	-	-	-	-	218	-
LIC Nomura MF Fixed Maturity Plan Series 81 371 Days	10	-	-	25,000,000	-	-	-	-	272	-
LIC Nomura MF Fixed Maturity Plan Series 86 370 Days	10	-	-	15,000,000	-	-	-	-	160	-
Reliance Banking & PSU Debt Fund Direct Plan	10	275,291,993	173,988,866	-	-	3,257	-	1,880	-	-
Reliance Yearly Interval Fund Series 2	10	81,392,880	128,329,697	128,329,697	1,157	-	1,696	-	1,559	-
Reliance Yearly Interval Fund Series 3	10	-	36,525,011	36,525,011	-	-	483	-	444	-
Reliance Yearly Interval Fund Series I	10	220,616,623	220,616,623	220,616,623	3,123	-	2,905	-	2,672	-
Reliance Fixed Horizon Fund XXII Series 34	10	-	-	5,000,000	-	-	-	-	61	-
Reliance Fixed Horizon Fund XXVI Series 2	10	-	-	80,000,000	-	-	-	-	879	-
Reliance Fixed Horizon Fund XXVI Series 5	10	-	-	20,000,000	-	-	-	-	219	-
Reliance Fixed Horizon Fund XXVI Series 17	10	34,000,000	34,000,000	34,000,000	435	-	-	402	369	-
Reliance Fixed Horizon Fund XXVI Series 8	10	-	-	50,000,000	-	-	-	-	542	-
Reliance Fixed Horizon Fund XXVI Series 9	10	-	-	175,000,000	-	-	-	-	1,909	-
Reliance Fixed Horizon Fund XXVII Series 11	10	45,000,000	45,000,000	45,000,000	552	-	-	506	-	466
Reliance Fixed Horizon Fund XXVIII Series 10	10	45,000,000	45,000,000	45,000,000	-	539	-	493	-	452
Reliance Fixed Horizon Fund XXIX Series 10	10	30,000,000	30,000,000	-	-	339	-	310	-	-
Reliance Fixed Horizon Fund XXIX Series 16	10	50,000,000	50,000,000	-	-	563	-	514	-	-
Reliance Fixed Horizon Fund XXIX Series 8	10	50,000,000	50,000,000	-	-	572	-	522	-	-
Reliance Fixed Horizon Fund XXIX Series 9	10	60,000,000	60,000,000	-	-	681	-	622	-	-
Reliance Fixed Horizon Fund XXX Series 4	10	85,000,000	85,000,000	-	-	947	-	864	-	-
Reliance Yearly Interval Fund Series 6	10	22,964,644	22,964,644	22,964,644	318	-	295	-	272	-
Reliance Yearly Interval Fund Series 8	10	33,812,627	33,812,627	46,058,753	460	-	426	-	535	-
Reliance Dynamic Bond Fund	10	132,568,584	132,568,584	132,568,584	-	3,049	-	2,718	-	2,558
Reliance Floating Rate Fund Short Term	10	307,631,477	277,895,589	72,977,200	-	8,088	-	6,717	-	1,626
Reliance Income Fund	10	9,712,908	9,712,908	9,712,908	-	536	-	479	-	451
Reliance Money Manager Fund	10	517,148	517,148	-	-	1,177	-	1,086	-	-
Reliance Short Term Fund	10	712,835,497	116,240,942	-	-	22,526	-	3,350	-	-
Invesco India Ultra Short Term Fund [Earlier name Religare Invesco Ultra Short Term Fund]	1,000	1,254,342	1,254,342	2,822,269	-	1,593	-	1,469	-	3,044
Invesco India FMP Sr 23 Plan H (370 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 23 Plan H (370 Days)]	10	25,000,000	25,000,000	25,000,000	319	-	-	295	273	-
Religare Invesco Fixed Maturity Plan Series 23 Plan J (370 Days)	10	-	-	30,000,000	-	-	-	-	327	-
Religare Invesco Fixed Maturity Plan Series 23 Plan L (370 Days)	10	-	-	17,821,656	-	-	-	-	193	-
Religare Invesco Fixed Maturity Plan Series 23 Plan O 370 Days	10	-	-	10,000,000	-	-	-	-	107	-
Invesco India FMP Sr 25 Plan A (1098 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 25 Plan A (1098 Days)]	10	25,000,000	25,000,000	25,000,000	302	-	-	277	-	255
Invesco India FMP Sr 25 Plan F (1126Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 25 Plan F (1126 Days)]	10	30,000,000	30,000,000	30,000,000	-	357	-	327	-	300
Invesco India FMP Sr 26 Plan C (1098 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 26 (1098 Days)]	10	30,000,000	30,000,000	-	-	348	-	318	-	-
Invesco India Short Term Fund [Earlier name Religare Short Term Fund]	1,000	1,622,460	751,980	751,980	-	3,635	-	1,543	-	1,434
Religare Invesco Fixed Maturity Plan 376 Days Series 23 Plan G	10	-	-	25,000,000	-	-	-	-	273	-
Religare Invesco Fixed Maturity Plan Series 22 Plan F (15 Months)	10	-	-	30,000,000	-	-	-	-	334	-
Invesco India FMP Sr 22 Plan H (427 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 22 Plan H (427 Days)]	10	25,000,000	25,000,000	25,000,000	329	-	-	301	-	278
Religare Invesco Fixed Maturity Plan Series 22 Plan L (14 Month)	10	-	-	10,000,000	-	-	-	-	111	-
SBI Debt Fund Series A-14 380 Days	10	-	-	30,000,000	-	-	-	-	328	-
SBI Debt Fund Series A-35 369 Days	10	-	-	25,000,000	-	-	-	-	266	-
SBI Debt Fund Series A-17 366 Days	10	-	-	65,000,000	-	-	-	-	706	-
SBI Debt Fund Series A-19 366 Days	10	-	-	19,500,000	-	-	-	-	212	-
SBI Debt Fund Series A-20 366 Days	10	-	-	40,000,000	-	-	-	-	434	-
SBI Debt Fund Series B-8 (1105 Days)	10	25,000,000	25,000,000	25,000,000	-	297	-	272	-	250
SBI Debt Fund Series B-18 (1100 Days)	10	30,000,000	30,000,000	-	-	351	-	322	-	-
SBI Debt Fund Series B-26 (1100 Days)	10	30,000,000	30,000,000	-	-	339	-	309	-	-
SBI Debt Fund Series B-27 (1100 Days)	10	30,000,000	30,000,000	-	-	337	-	308	-	-
SBI Dynamic Bond Fund	10	160,943,391	160,943,391	160,943,391	-	3,405	-	2,978	-	2,803

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					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
SBI Premier Liquid Fund	1,000	-	-	1,325,633	-	-	-	-	-	2,915
SBI Short Term Debt Fund	10	150,936,462	150,936,462	123,538,537	-	2,903	-	2,646	-	1,995
SBI Ultra Short Term Debt Fund	1,000	1,529,671	1,529,671	920,996	-	3,224	-	2,986	-	1,656
Sundaram Fixed Term Plan GY	10	65,000,000	65,000,000	-	-	755	-	691	-	-
Sundaram Fixed Term Plan HB	10	50,000,000	50,000,000	-	-	561	-	512	-	-
Sundaram Money Fund	10	183,330,755	183,330,755	183,330,755	-	2,250	-	2,096	-	1,937
Sundaram Ultra Short Term Fund	10	26,443,089	26,443,089	26,443,089	-	343	-	317	-	292
Sundaram Fixed Term Plan FI 383 Days	10	-	-	25,000,000	-	-	-	-	274	-
Sundaran Banking and PSU Debt Fund [Earlier name Sundaram Flexible Fund Short Term Plan]	10	65,468,998	65,468,998	36,085,022	-	1,684	-	1,569	-	797
Tata Fixed Maturity Plan Series 45 Scheme C	10	-	17,370,158	17,370,158	-	-	213	-	-	196
Tata Fixed Maturity Plan Series 46 Scheme R	10	-	-	20,000,000	-	-	-	-	220	-
Tata Fixed Maturity Plan Series 47 Scheme C	10	-	-	20,000,000	-	-	-	-	219	-
Tata Fixed Maturity Plan Series 47 Scheme D	10	-	-	40,000,000	-	-	-	-	439	-
Tata Fixed Maturity Plan Series 47 Scheme F	10	-	-	20,000,000	-	-	-	-	218	-
Tata Ultra Short Term Fund [Earlier name Tata Floater Fund]	10	1,093,981	1,093,981	-	-	2,715	-	2,504	-	-
Tata Short Term Bond Fund	10	250,995,072	200,971,748	59,062,611	-	7,902	-	5,781	-	1,562
UTI Fixed Term Income Fund Series XVII-I (369 Days)	10	-	13,699,256	13,699,256	-	-	167	-	-	154
UTI Fixed Term Income Fund Series XVII-XIII (369) Days	10	32,000,000	32,000,000	32,000,000	417	-	-	386	-	355
UTI Fixed Term Income Fund Series XIX IX 369 Days	10	54,995,921	54,995,921	75,000,000	691	-	-	638	800	-
UTI Fixed Term Income Fund Series XIX VI 366 Days	10	25,000,000	25,000,000	25,000,000	314	-	-	291	267	-
UTI Fixed Term Income Fund Series XIX XI 366 Days	10	33,039,648	33,039,648	40,000,000	414	-	-	382	426	-
UTI Fixed Term Income Fund Series XVIII VIII (366 Days)	10	-	-	25,000,000	-	-	-	-	272	-
UTI Fixed Term Income Fund Series XX VIII (1105 Days)	10	50,000,000	50,000,000	50,000,000	613	-	-	563	-	518
UTI Fixed Term Income Fund Series XX X (1105 Days)	10	30,000,000	30,000,000	30,000,000	367	-	-	337	-	309
UTI Fixed Term Income Fund Series XXI XI (1112 Days)	10	50,000,000	50,000,000	50,000,000	-	597	-	546	-	503
UTI Fixed Term Income Fund Series XXII XIV (1100 Days)	10	45,000,000	45,000,000	-	-	518	-	473	-	-
UTI Fixed Term Income Fund Series XXIII-III (1098 Days)	10	40,000,000	40,000,000	-	-	458	-	419	-	-
UTI Fixed Term Income Fund Series XXIII- VII (1098) Days	10	35,000,000	35,000,000	-	-	395	-	361	-	-
UTI Treasury Advantage Fund	1,000	2,889,912	2,889,912	-	-	6,518	-	5,993	-	-
UTI Bond Fund	10	53,181,546	53,181,546	53,181,546	-	2,765	-	2,417	-	2,281
UTI Floating Rate Fund	1,000	705,166	705,166	705,166	-	1,917	-	1,757	-	1,610
					20,137	**253,521**	**10,568**	**182,480**	**32,960**	**100,380**

7 Loans (unsecured and considered good, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non Current			
Employee related loans and advances	2	3	4
Inter corporate deposits- unsecured considered doubtful	125	125	125
Provision for Intercorporate deposits	(125)	(125)	(125)
Others	1	1	2
	3	**4**	**6**
Current			
Employee related loans and advances	25	31	21
	25	**31**	**21**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

8 Trade Receivables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unsecured - considered good	11,992	13,222	11,157
- considered doubtful	6	6	6
Provision for doubtful debts	(6)	(6)	(6)
	11,992	**13,222**	**11,157**

8.1 The credit period generally allowed on domestic sales varies from 30 to 45 days (excluding transit period). The credit period on export sales varies on case to case basis, based on market conditions.

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Age of receivables			
Within the credit period	11,654	12,822	10,943
1-90 days past due	238	384	180
91-180 days past due	69	7	9
More than 180 days past due	31	9	25
	11,992	**13,222**	**11,157**

9 Other Financial Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Financial assets carried at amortised cost			
Security deposits	110	103	113
Others	128	128	128
Financial assets carried at fair value			
Cross currency interest rate swap contract not qualifying or not designated in hedge accounting relationships	-	-	366
	238	**231**	**607**
Current			
Financial assets carried at amortised cost			
Claims	-	69	69
Interest accrued - secured	1	1	4
- unsecured	20	4	37
Recoverable from related parties	624	274	846
Others - considered good	142	384	497
- considered doubtful	4	-	-
Less: provision for doubtful assets	(4)	-	-
Derivatives designated and effective as hedging instruments carried at fair value			
Foreign currency forward contract designated in hedge accounting relationships	-	72	32
Financial assets carried at fair value			
Foreign currency and commodity forward contract not qualifying or not designated in hedge accounting relationships	163	220	154
Cross currency interest rate swap contract not qualifying or not designated in hedge accounting relationships	-	454	366
	950	**1,478**	**2,005**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

10 Inventories

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Inventories (lower of cost and net realisable value)			
Raw materials	13,681	17,343	13,212
Work-in-progress	1,546	1,643	1,232
Finished goods manufactured			
Vehicle	12,330	7,695	8,633
Vehicle spares and components	481	441	389
Traded goods			
Vehicle spares and components	2,591	2,480	1,963
Stores and spares	1,142	994	861
Loose Tools	851	725	569
	32,622	**31,321**	**26,859**
Inventory includes in transit inventory of:			
Raw materials	4,897	6,860	5,186
Stock in trade	64	43	26

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 525,920 million (previous year ₹ 446,734 million)

The cost of inventories recognised as an expense includes ₹ 29 million (previous year ₹ 33 million) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 2.14.

11 Cash and Bank Balances

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Cash and cash equivalents:			
Balances with Banks	117	369	173
Cheques, drafts in hand	5	14	3
Cash in hand	1	1	1
	123	**384**	**177**
Other Bank balances:			
Unclaimed dividend accounts	8	7	6
	131	**391**	**183**
Cash and cash equivalents as per cash flow statement	**123**	**384**	**177**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

12 Other Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Capital advances - considered good *	4,043	5,114	4,712
- considered doubtful	-	-	33
Less : provision for doubtful capital advances	-	-	(33)
Prepaid expenses and leases	3,929	3,390	3,084
Amount paid under protest / dispute	7,950	8,151	8,523
Claims - unsecured considered good	79	83	68
- unsecured considered doubtful	27	27	27
Less : provision for doubtful claims	(27)	(27)	(27)
Others	30	44	59
	16,031	**16,782**	**16,446**
Current			
Balance with customs, port trust and other Government authorities	9,917	11,668	7,554
Claims	1,142	1,161	1,282
Prepaid expenses and leases	431	372	254
Advances to related parties	980	686	939
Others - considered good	2,918	2,708	2,580
- considered doubtful	92	41	42
Less: provisions for doubtful balances	(92)	(41)	(42)
	15,388	**16,595**	**12,609**

* Includes capital advance given to related parties as at 31.03.2017 ₹ 622 million (as at 31.03.2016 : ₹ 904 million; as at 01.04.2015 : ₹ 975 million;)

13 Equity Share Capital

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Authorised share capital:			
3,744,000,000 equity shares of ₹ 5 each (as at 31.03.16: 3,744,000,000; as at 01.04.15: 3,744,000,000 equity shares of ₹ 5 each)	18,720	18,720	18,720
Issued, subscribed and fully paid up share capital comprises:			
302,080,060 equity shares of ₹ 5 each (as at 31.03.16: 302,080,060; as at 01.04.15: 302,080,060 equity shares of ₹ 5 each)	1,510	1,510	1,510
	1,510	**1,510**	**1,510**

13.1 Rights, preference and restriction attached to shares

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

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

13.2 Reconciliation of number of shares

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	302,080,060	1,510	302,080,060	1,510	302,080,060	1,510
Balance as at the end of the year	302,080,060	1,510	302,080,060	1,510	302,080,060	1,510

13.3 Details of shares held by the holding company

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Suzuki Motor Corporation, Japan	169,788,440	849	169,788,440	849	169,788,440	849
	169,788,440	**849**	**169,788,440**	**849**	**169,788,440**	**849**

13.4 Details of shares held by each shareholder holding more than 5% shares

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Suzuki Motor Corporation (the holding company)	169,788,440	56.21	169,788,440	56.21	169,788,440	56.21
Life Insurance Corporation of India	15,242,658	5.05	17,382,016	5.75	17,932,030	5.94

13.5 Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding 31st March 2017)

13,170,000 equity shares of ₹ 5 each have been allotted as fully paid up during Financial Year 2012-13 to Suzuki Motor Corporation pursuant to the Company's scheme of amalgamation with erstwhile Suzuki Powertrain India Limited.

14 Other Equity

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
General reserve	29,309	29,309	24,738
Securities premium reserve	4,241	4,241	4,241
Reserve created on amalgamation	9,153	9,153	9,153
Retained earnings	310,589	250,037	210,116
Reserve for equity instruments through other comprehensive income	6,909	4,545	4,440
Cash flow hedging reserve	-	47	21
	360,201	**297,332**	**252,709**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

14.1 General reserve

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	29,309	24,738
Amount transferred to general reserves	-	4,571
Balance at end of year	**29,309**	**29,309**

The general reserve is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit and loss.

During the year Nil (previous year : ₹ 4,571 million) has been transferred to general reserves from retained earning.

14.2 Securities premium reserve

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	4,241	4,241
Movement	-	-
Balance at end of year	**4,241**	**4,241**

14.3 Reserve created on amalgamation

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	9,153	9,153
Movement	-	-
Balance at end of year	**9,153**	**9,153**

This reserve is created on the basis of the scheme of amalgamation of erstwhile Suzuki Powertrain India Limited (SPIL) with the Company as approved by the High Court of Delhi in the year ended 31st March 2013.

14.4 Retained earnings

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	250,037	210,116
Profit for the year	73,377	53,643
Other comprehensive income arising from remeasurement of defined benefit obligation *	(100)	(61)
Amount transferred to general reserves	-	(4,571)
Payment of dividend on equity shares	(10,573)	(7,552)
Related income tax	(2,152)	(1,538)
Balance at end of year	**310,589**	**250,037**

During the year, a dividend of ₹ 35 per share, total dividend ₹ 10,573 million (previous year : ₹ 25 per share, total dividend ₹ 7,552 million) was paid to equity shareholders.

The Board of Directors recommended a final dividend of ₹ 75 per share (nominal value of ₹ 5 per share) for the financial year 2016-17. This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these financial statements. The total estimated dividend to be paid is ₹ 27,268 million including dividend distribution tax of ₹ 4,612 million.

* net of income tax of ₹ 58 million (previous year ₹ 38 million)

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

14.5 Reserve for equity instruments through other comprehensive income

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	4,545	4,440
Net fair value gain on investment in equity instruments at FVTOCI	2,361	99
Income tax on net fair value gain on investments in equity instruments at FVTOCI	3	6
Balance at end of year	**6,909**	**4,545**

This reserves represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

14.6 Cash flow hedging reserve

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	47	21
Recognised / (released) during the year	(72)	40
Income tax related to above	25	(14)
Balance at end of year	**-**	**47**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedging item.

15 Borrowings

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Unsecured			
Term loans from banks	-	-	869
Term loan from the holding company	-	-	579
	-	**-**	**1,448**
Current			
Unsecured			
Loans repayable on demand from banks - cash credit and overdraft	4,836	774	354
	4,836	**774**	**354**

15.1 Summary of borrowing arrangements

1. Loans from banks include:

Loan amounting to ₹ Nil (USD Nil) (as at 31.03.16: ₹ 921 million (USD 13.90 million); as at 01.04.15: ₹ 1,738 million (USD 27.80 million)) taken from Japan Bank of International Cooperation (JBIC) at an interest rate of LIBOR + 0.125%, repayable in 2 half yearly instalments (acquired pursuant to a scheme of amalgamation). The entire outstanding amount of ₹ 921 million as at 31.03.2016 (as at 01.04.15: ₹ 869 million) repayable within one year has been transferred to current maturities of long term debts. The repayment of the loan was guaranteed by Suzuki Motor Corporation, Japan (the holding company). The last instalment of ₹ 921 million was paid during the year.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Loan amounting to ₹ Nil (as at 31.03.16: ₹ Nil; as at 01.04.15: ₹ 1,906 million) (USD 30 million) taken from banks at an average interest rate of LIBOR + 1.375% and repaid in July 2015.

2. A loan amounting to ₹ Nil (USD Nil) (as at 31.03.2016: ₹ 614 million (USD 9.27 million), as at 01.04.2015: ₹ 1,158 million (USD 18.53 million)) taken from the holding company at an interest rate of LIBOR + 0.48%, repayable in 2 half yearly instalments (acquired pursuant to a scheme of amalgamation). The entire outstanding amount of ₹ 614 million as at 31.03.2016 (as at 01.04.2015: ₹ 579 Million) repayable within one year has been transferred to current maturities of long term debts. The last instalment of ₹ 614 million was paid during the year.

3. Loan repayable on demand from banks (Cash credit and Overdraft) amounting to ₹ 4,836 million (as at 31.03.16: ₹ 774 million; as at 01.04.15: ₹ 354 million) at an interest rate of 7.25% to 10.50%, repayable within 0-5 days.

15.2 Breach of loan agreement
There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

16 Other Financial Liabilities

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Current			
Current maturities of long term debts (refer to note 15)	-	1,535	3,354
Payables to capital creditors	8,308	6,203	5,695
Deposits from dealers, contractors and others	3,734	3,384	1,327
Interest accrued	27	228	334
Unclaimed dividend *	8	7	6
Book overdraft	914	584	590
Others	36	30	3
	13,027	**11,971**	**11,309**

* There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013.

17 Provisions

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Provisions for employee benefits			
Provision for retirement allowance	63	56	53
Other provisions			
Provision for warranty & product recall	156	92	150
	219	**148**	**203**
Current			
Provisions for employee benefits			
Provision for retirement allowance	3	2	1
Provision for compensated absences	2,540	2,101	1,830
Other provisions			
Provision for litigation / disputes	1,734	1,645	2,081
Provision for warranty & product recall	213	241	168
Others	-	-	9
	4,490	**3,989**	**4,089**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Details of other provisions

	Litigation / Dispute		Warranty / Product recall		Others	
	2016-2017	**2015-2016**	**2016-2017**	**2015-2016**	**2016-2017**	**2015-2016**
Balance as at the beginning of the year	1,645	2,081	333	318	-	9
Addition during the year	100	134	687	919	-	-
Utilised during the year	-	-	651	904	-	-
Reversed during the year	11	570	-	-	-	9
Balance as at the end of the year	**1,734**	**1,645**	**369**	**333**	**-**	**-**

	Litigation / Dispute			Warranty / Product recall			Others
	31.03.2017	**31.03.2016**	**01.04.2015**	**31.03.2017**	**31.03.2016**	**01.04.2015**	**01.04.2015**
Classified as long term	-	-	-	156	92	150	-
Classified as short term	1,734	1,645	2,081	213	241	168	9
Total	**1,734**	**1,645**	**2,081**	**369**	**333**	**318**	**9**

Provisions for employee benefits
The provision for employee benefits include compensated absences and retirement allowance.

Provision for warranty and product recall
Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims will arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Provision for litigation / disputes
In the ordinary course of business, the Company faces claims by various parties. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable (also refer to note 38).

18 Deferred Tax Balances

The following is the analysis of deferred tax assets / (liabilities) presented in the standalone balance sheet

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deferred tax assets	5,978	6,262	5,529
Deferred tax liabilities	10,618	8,205	6,413
Net deferred tax liabilities	**4,640**	**1,943**	**884**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Adjustments*	Closing Balance
2015-2016					
Deferred tax assets					
Deferred revenue	2,497	347	-	-	2,844
Capital loss carry forwards #	1,879	-	-	-	1,879
Expenses deductible in future years	726	8	38	465	1,237
Provision for litigation / dispute	224	4	-	(39)	189
Provision for doubtful debts / advances	94	(25)	-	-	69
Others	109	47	-	(112)	44
	5,529	**381**	**38**	**314**	**6,262**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	5,345	(1,256)	-	606	4,695
Investment in debt mutual funds	402	1,467	-	-	1,869
Investment in equity instruments	37	-	(6)	-	31
Other non-current asset	618	550	-	417	1,585
Cashflow hedges	11	-	14	-	25
	6,413	**761**	**8**	**1,023**	**8,205**
Net deferred tax liabilities	**884**	**380**	**(30)**	**709**	**1,943**
2016-2017					
Deferred tax assets					
Deferred revenue	2,844	(752)	-	-	2,092
Capital loss carry forwards #	1,879	-	-	(164)	1,715
Expenses deductible in future years	1,237	94	58	272	1,661
Provision for litigation / dispute	189	75	-	(8)	256
Provision for doubtful debts / advances	69	19	-	-	88
Others	44	105	-	17	166
	6,262	**(459)**	**58**	**117**	**5,978**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	4,695	122	-	(42)	4,775
Investment in debt mutual funds	1,869	2,221	-	-	4,090
Investment in equity instruments	31	-	(3)	-	28
Other non-current asset	1,585	(83)	-	223	1,725
Cashflow hedges	25	-	(25)	-	-
	8,205	**2,260**	**(28)**	**181**	**10,618**
Net deferred tax liabilities	**1,943**	**2,719**	**(86)**	**64**	**4,640**

* On account of reclassification to “Deferred Tax Liability” from “Provision for Taxation”

Deferred tax asset on capital loss carry forwards has been recognised as it is probable that future taxable profit will be available on gain on investment in debt mutual funds, against which the tax losses can be utilised.

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

19 Other Liabilities

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Deferred revenue	11,050	8,075	6,248
	11,050	**8,075**	**6,248**
Current			
Advance from customers	9,392	5,045	4,165
Deferred revenue	3,584	2,944	2,652
Statutory dues	5,227	3,539	2,903
Others	48	101	22
	18,251	**11,629**	**9,742**

20 Trade Payables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Total outstanding dues of micro enterprises and small enterprises	832	533	590
Total outstanding dues of creditors other than micro enterprises and small enterprises	82,841	73,540	56,217
	83,673	**74,073**	**56,807**

Note:
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.

21 Current Tax

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Current tax assets			
Taxes paid (Net)	4,854	4,854	4,916
Current tax liabilities			
Income tax payable (Net)	8,036	7,956	7,311

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

22 Revenue From Operations

	Year ended 31.03.2017	Year ended 31.03.2016
Sale of products (including excise duty)		
Vehicles	696,253	583,858
Spare parts / dies and moulds / components	65,155	55,719
	761,408	**639,577**
Other operating revenues		
Income from services	3,917	3,428
Sale of scrap	3,830	3,564
Recovery of service charges	889	776
Liabilities no longer required written back	35	694
Rental income	370	313
Others	2,213	2,194
	11,254	**10,969**
	772,662	**650,546**

23 Other Income

	Year ended 31.03.2017	Year ended 31.03.2016
Interest income on		
Bank deposits	12	-
Income tax refund	-	885
Receivables from dealers	343	545
Advance to vendors	16	3
Others	1	77
	372	**1,510**
Dividend income		
Dividend from equity investments	129	107
	129	**107**
Other gains and losses		
Net gain on sale of investments in associates	209	-
Net gain on sale of investments in debt mutual funds	612	974
Fair valuation gain on investment in debt mutual funds	21,203	12,019
Net foreign exchange gains	273	-
	22,297	**12,993**
	22,798	**14,610**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

24 Material Consumed

24.1 Cost of materials consumed

	Year ended 31.03.2017	Year ended 31.03.2016
Raw material at the beginning of the year	17,343	13,212
Add: Purchase	422,634	358,970
Less: Raw material at the end of the year	13,681	17,343
	426,296	**354,839**

24.2 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31.03.2017	Year ended 31.03.2016
Opening balances		
Work in progress	1,643	1,232
Finished goods manufactured		
Vehicle	7,695	8,633
Vehicle spares and components	441	389
Traded goods		
Vehicle spares and components	2,480	1,963
	12,259	**12,217**
Closing balances		
Work in progress	1,546	1,643
Finished goods manufactured		
Vehicle	12,330	7,695
Vehicle spares and components	481	441
Traded goods		
Vehicle spares and components	2,591	2,480
	16,948	**12,259**
Excise duty on increase / (decrease) of finished goods	888	111
	(3,801)	**69**

25 Employee Benefits Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Salaries and wages	20,772	17,404
Contribution to provident and other funds	952	873
Staff welfare expenses	1,586	1,511
	23,310	**19,788**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

26 Finance Costs

	Year ended 31.03.2017	Year ended 31.03.2016
Interest costs:		
Foreign currency loans	14	26
Buyers' credit	-	41
Cash credit and overdrafts	445	455
Deposits from dealers, contractors and others	434	290
	893	812
Other borrowing costs	1	3
	894	**815**

27 Depreciation and Amortisation Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Depreciation of property, plant and equipment	25,076	26,989
Amortisation of intangible assets	945	1,213
	26,021	**28,202**

28 Other Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Consumption of stores (refer to note 49)	2,241	2,140
Power and fuel [net of amount recovered ₹ 673 million (previous year ₹ 737 million)]	5,172	6,926
Rent (refer to note 35)	329	236
Repair and maintenance: plant and machinery	1,706	1,861
Repair and maintenance: building	445	474
Repair and maintenance: others	467	396
Insurance	150	150
Rates, taxes and fees	2,410	1,820
Royalty	38,480	32,443
Tools / machinery spares charged off	3,833	3,432
Exchange variation on foreign currency transactions (net)	-	1,008
Advertisement	8,324	7,265
Sales promotion	5,508	4,570
Warranty and product recall	687	919
Transportation and distribution expenses	5,182	5,416
Net loss on sale / discarding of property, plant and equipment	632	1,353
Corporate social responsibility expenses	895	785
Other miscellaneous expenses *	10,767	9,183
	87,228	**80,377**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operation

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Note on Corporate Social Responsibility
Gross amount required to be spent by the Company during the year ₹ 892 million

Amount spent during the year on:

	Year ended 31.03.2017	Year ended 31.03.2016
(i) Construction / acquisition of any asset		
- in cash	-	-
- yet to be paid in cash	-	-
	-	-
(ii) On purpose other than above		
- in cash	895	785
- yet to be paid in cash	-	-
	895	**785**
Total	**895**	**785**

29 Income Taxes

29.1 Income tax recognised in profit or loss

	Year ended 31.03.2017	Year ended 31.03.2016
Current tax		
In respect of the current year	23,317	20,414
	23,317	20,414
Deferred tax	2,719	380
In respect of the current year	2,719	380
Total income tax expense recognised in the current year	**26,036**	**20,794**

The income tax expense for the year can be reconciled to the accounting profit as follows

	Year ended 31.03.2017	Year ended 31.03.2016
Profit before tax	**99,413**	**74,437**
Tax at the Indian Tax Rate of 34.608% (previous year 34.608%)	34,405	25,761
Weighted deduction for research and development expenses	(2,215)	(1,670)
Additional deduction on plant and machinery	(1,505)	(1,211)
Differential tax rate on fair value gain on investments	(4,632)	(1,991)
Differential tax rate on capital gain on sale of investments	(402)	(466)
Effect of expenses that are not deductible in determining taxable profit	311	266
Others	74	105
Income tax expenses recognised in profit or loss	**26,036**	**20,794**

The tax rate used for the current year reconciliation above is the corporate tax rate of 34.608% (previous year 34.608%) payable by corporate entities in India on taxable profits under the Indian tax law.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

29.2 Income tax recognised in other comprehensive income

	Year ended 31.03.2017	Year ended 31.03.2016
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Net fair value gain on investment in equity shares at FVTOCI	3	6
Net gain on designated portion of hedging instruments in cash flow hedges	25	(14)
Remeasurement of defined benefit obligation	58	38
Total income tax recognised in other comprehensive income	**86**	**30**
Bifurcation of the income tax recognised in other comprehensive income into : -		
Items that will not be reclassified to profit or loss	61	44
Items that may be reclassified to profit or loss	25	(14)
	86	**30**

30 Segment Information

The Company is primarily in the business of manufacturing, purchase and sale of motor vehicles, components and spare parts ("automobiles"). The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing. The income from these activities is not material in financial terms but such activities contribute significantly in generating demand for the products of the Company.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company.

30.1 Entity wide disclosure

	Domestic	Overseas	Total
Revenue from operations			
2016-17	711,898	60,764	**772,662**
2015-16	598,568	51,978	**650,546**
Non current segment assets			
As at 31.03.2017	149,458	-	**149,458**
As at 31.03.2016	140,283	-	**140,283**
As at 01.04.2015	143,003	-	**143,003**

a) Domestic information includes sales and services to customers located in India.

b) Overseas information includes sales and services rendered to customers located outside India.

c) Non-current segment assets includes property, plant and equipment, capital work in progress, intangible assets and capital advances.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

31 Earnings Per Share

	Year ended 31.03.2017	Year ended 31.03.2016
Basic earnings per share (₹)	242.91	177.58
Diluted earnings per share (₹)	242.91	177.58
Profit attributable to the equity holders of the company used in calculating basic earning per share and diluted earning per share	73,377	53,643
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (numbers)	302,080,060	302,080,060

32 Employee Benefit Plans

The various benefits provided to employees by the Company are as under:

A. Defined contribution plans

a) Superannuation fund

b) Post employment medical assistance scheme

c) Employers contribution to Employee State Insurance

d) Employers contribution to Employee's Pension Scheme 1995

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

	Year ended 31.03.2017	Year ended 31.03.2016
Employers contribution to Superannuation Fund *	77	69
Employers contribution on Post Employment Medical Assistance Scheme *	10	9
Employers contribution to Employee State Insurance *	14	38
Employers contribution on Employee's Pension Scheme 1995 *	266	261

* Included in 'Contribution to provident and other funds'

B. Defined benefit plans and other long term benefits

a) Contribution to Gratuity Funds - Employee's Gratuity Fund
b) Leave encashment / compensated absence
c) Retirement allowance
d) Provident fund

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.17				
Discount rate(s)	8.65%	7.60%	7.60%	7.60%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	25	25	25	25
As at 31.03.16				
Discount rate(s)	8.80%	8.00%	8.00%	8.00%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	26	26	26	26
As at 01.04.15				
Discount rate(s)	8.75%	8.00%	8.00%	8.00%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	22	22	22	22

Components of expenses recognised in the statement of profit or loss in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.17				
Current service cost	468	220	117	12
Past service cost	-	-	-	-
Actuarial Loss / (gain)	-	456	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	162	-	5
Expenses recognised in profit or loss	**468**	**838**	**117**	**17**
Year ended 31.03.16				
Current service cost	403	200	93	10
Past service cost	-	-	-	-
Actuarial Loss / (gain)	-	211	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	142	-	5
Expenses recognised in profit or loss	**403**	**553**	**93**	**15**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Components of expenses recognised in the other comprehensive income in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.17				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	108	4
- experience variance	-	-	151	(12)
- others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	(93)	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**166**	**(8)**
Year ended 31.03.16				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	-	-
- experience variance	-	-	107	(11)
- others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	3	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**110**	**(11)**

The current service cost and the interest expense for the year are included in the 'Employee benefits expense' in the profit or loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.17				
Present value of obligation	13,938	2,540	2,371	66
Fair value of plan assets	14,247	-	2,371	-
Surplus / (deficit)	**309**	**(2,540)**	**-**	**(66)**
Effects of asset ceiling, if any *	309	-	-	-
Net asset / (liability)	**-**	**(2,540)**	**-**	**(66)**
As at 31.03.16				
Present value of obligation	11,590	2,101	1,967	58
Fair value of plan assets	11,684	-	1,967	-
Surplus / (deficit)	**94**	**(2,101)**	**-**	**(58)**
Effects of asset ceiling, if any *	94	-	-	-
Net asset / (liability)	**-**	**(2,101)**	**-**	**(58)**
As at 01.04.15				
Present value of obligation	9,563	1,830	1,715	54
Fair value of plan assets	9,632	-	1,715	-
Surplus / (deficit)	**69**	**(1,830)**	**-**	**(54)**
Effects of asset ceiling, if any *	69	-	-	-
Net asset / (liability)	**-**	**(1,830)**	**-**	**(54)**

* The Company has an obligation to make good the shortfall, if any.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Classification into long term and short term:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.17				
Classified as long term	-	-	-	63
Classified as short term	-	2,540	-	3
Total	**-**	**2,540**	**-**	**66**
As at 31.03.16				
Classified as long term	-	-	-	56
Classified as short term	-	2,101	-	2
Total	**-**	**2,101**	**-**	**58**
As at 01.04.15				
Classified as long term	-	-	-	53
Classified as short term	**-**	**1,830**	**-**	**1**
Total	**-**	1,830	**-**	**54**

Movement in the present value of the defined benefit obligation are as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.17				
Present value of obligation as at the beginning	**11,590**	**2,101**	**1,967**	**58**
Current service cost	468	220	117	12
Interest expense or cost	1,075	162	158	4
Employees' contribution	1,325	-	-	-
Transfer in	18	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	60	108	4
- experience variance	-	396	151	(12)
- others	-	-	-	-
Past service cost	-	-	-	-
Benefits paid	(538)	(399)	(130)	-
Present value of obligation as at the end	**13,938**	**2,540**	**2,371**	**66**

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.16				
Present value of obligation as at the beginning	**9,563**	**1,830**	**1,715**	**54**
Current service cost	403	200	93	10
Interest expense or cost	870	142	138	5
Employees' contribution	1,137	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
- change in financial assumptions	-	-	-	-
- experience variance	(10)	211	107	(11)
- others	-	-	-	-
Past service cost	-	-	-	-
Benefits paid	(373)	(282)	(86)	-
Present value of obligation as at the end	**11,590**	**2,101**	**1,967**	**58**

Movement in the fair value of the plan assets are as follows:

	Provident Fund	Employees Gratuity Fund
Year ended 31.03.17		
Fair value of plan assets at the beginning	**11,684**	**1,967**
Interest income	1,028	157
Employer's contribution	468	284
Employee's contribution	1,325	-
Transfer in	234	-
Benefits paid	(538)	(130)
Actuarial (Gain)/Loss on Plan Assets	46	93
Fair value of plan assets as at the end	**14,247**	**2,371**
Year ended 31.03.16		
Fair value of plan assets at the beginning	**9,632**	**1,715**
Interest income	870	155
Employer's contribution	403	203
Employee's contribution	1,137	-
Benefits paid	(373)	(86)
Actuarial (Gain)/Loss on Plan Assets	15	(20)
Fair value of plan assets as at the end	**11,684**	**1,967**

Major categories of plan assets (as percentage of total plan assets)

	Provident Fund	Employees Gratuity Fund
As at 31.03.17		
Government of India securities	**16%**	**0%**
State Government securities	29%	0%
High quality corporate bonds	49%	0%
Equity shares of listed companies	4%	0%
Fund managed by insurer	0%	94%
Special deposit scheme	2%	0%
Cash & cash equivalents	0%	6%
Total	**100%**	**100%**

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Employees Gratuity Fund
As at 31.03.16		
Government of India securities	21%	0%
State Government securities	26%	0%
High quality corporate bonds	49%	0%
Equity shares of listed companies	1%	0%
Fund managed by insurer	0%	92%
Special deposit scheme	3%	0%
Cash & cash equivalents	0%	8%
Total	**100%**	**100%**

As at 01.04.15		
Government of India securities	26%	0%
State Government securities	19%	0%
High quality corporate bonds	51%	0%
Equity shares of listed companies	0%	0%
Fund managed by insurer	0%	87%
Special deposit scheme	4%	0%
Cash & cash equivalents	0%	13%
Total	**100%**	**100%**

The fair value of the above ULIP schemes are determined based on the Net Asset Value (NAV). Moreover, for other investments the fair value is taken as per the account statements of the insurance companies.

The average duration of the defined benefit obligation of gratuity fund at 31.03.17 is 12 years (as at 31.03.16: 12 years; as at 01.04.15: 12 years).

The group expects to make a contribution of ₹ 160 million (as at 31.03.16: ₹ 125 million; as at 01.04.15: ₹ 150 million) to the defined benefit plans during the next financial year.

Sensitivity analysis

Significant actuarial assumption for the determination of defined obligation are discount rate, expected salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant.

If the discount rate increases (decreases) by 1%, the defined benefit obligation would decrease by ₹ 410 million (increase by ₹ 485 million) (as at 31.03.16: decrease by ₹ 313 million (increase by ₹ 368 million)) (as at 01.04.15: decrease by ₹ 269 million (increase by ₹ 317 million)).

If the expected salary growth rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 436 million (decrease by ₹ 363 million) (as at 31.03.16: increase by ₹ 315 million (decrease by ₹ 259 million)) (as at 01.04.15: increase by ₹ 270 million (decrease by ₹ 222 million)).

If the attrition rate increases (decreases) by 50%, the defined benefit obligation would increase by ₹ 20 million (decrease by ₹ 21 million) (as at 31.03.16: increase by ₹ 19 million (decrease by ₹ 20 million)) (as at 01.04.15: increase by ₹ 16 million (decrease by ₹ 17 million)).

If the mortality rate increases (decreases) by 10%, the defined benefit obligation would increase by ₹ 5 million (decrease by ₹ 5 million) (as at 31.03.16: increase by ₹ 4 million (decrease by ₹ 4 million)) (as at 01.0415: increase by ₹ 4 million (decrease by ₹ 4 million)).

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

33 Financial instruments and risk management

33.1 Financial instruments by category

	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments *									
- in equity instruments	-	7,301	-	-	4,939	-	-	4,839	-
- in debt mutual funds	273,658	-	-	193,048	-	-	133,340	-	-
Trade Receivable	-	-	11,992	-	-	13,222	-	-	11,157
Cash and bank balances	-	-	131	-	-	391	-	-	183
Loans	-	-	28	-	-	35	-	-	27
Security deposits	-	-	110	-	-	103	-	-	113
Claims	-	-	-	-	-	69	-	-	69
Foreign currency / commodity forward contracts	163	-	-	674	72	-	886	32	-
Interest accrued	-	-	21	-	-	5	-	-	41
Recoverable from related parties	-	-	624	-	-	274	-	-	846
Others	-	-	270	-	-	512	-	-	625
Total financial assets	**273,821**	**7,301**	**13,176**	**193,722**	**5,011**	**14,611**	**134,226**	**4,871**	**13,061**
Financial liabilities									
Borrowings	-	-	4,836	-	-	774	-	-	1,802
Current maturities of long term debts	-	-	-	-	-	1,535	-	-	3,354
Trade payables	-	-	83,673	-	-	74,073	-	-	56,807
Deposits from dealers, contractors and others	-	-	3,734	-	-	3,384	-	-	1,327
Payable to capital creditors	-	-	8,308	-	-	6,203	-	-	5,695
Interest accrued	-	-	27	-	-	228	-	-	334
Unpaid dividend	-	-	8	-	-	7	-	-	6
Book overdraft	-	-	914	-	-	584	-	-	590
Others	-	-	36	-	-	30	-	-	3
Total financial liabilities	**-**	**-**	**101,536**	**-**	**-**	**86,818**	**-**	**-**	**69,918**

* Investment value excludes investment in subsidiaries of ₹ 91 million (as at 31.03.2016 : ₹ 91 million, as at 01.04.2015 : ₹ 91 million); investment in joint ventures of ₹ 152 million (as at 31.03.2016 : ₹ 152 million, as at 01.04.2015 : ₹ 152 million) and investment in associates of ₹ 1,082 million (as at 31.03.2016 : ₹ 1,092 million, as at 01.04.2015 : ₹ 1,092 million) which are shown at cost in balance sheet as per Ind AS 27 : Separate Financial Statements.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31.03.2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	236,223	37,435	-	273,658
Foreign currency / commodity forward contracts	9	-	163	-	163
Financial instruments at FVTOCI					
Quoted equity instruments	6	6,984	-	-	6,984
Unquoted equity instruments	6	-	-	317	317
Total financial assets		**243,207**	**37,598**	**317**	**281,122**

As at 31.03.2016	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	152,916	40,132	-	193,048
Foreign currency / commodity forward contracts	9	-	674	-	674
Financial instruments at FVTOCI					
Quoted equity instruments	6	4,732	-	-	4,732
Unquoted equity instruments	6	-	-	207	207
Foreign currency / commodity forward contracts	9	-	72	-	72
Total financial assets		**157,648**	**40,878**	**207**	**198,733**

As at 01.04.2015	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	87,898	45,442	-	133,340
Foreign currency / commodity forward contracts	9	-	886	-	886
Financial instruments at FVTOCI					
Quoted equity instruments	6	4,606	-	-	4,606
Unquoted equity instruments	6	-	-	233	233
Foreign currency / commodity forward contracts		-	32	-	32
Total financial assets		**92,504**	**46,360**	**233**	**139,097**

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Derivative contracts: The Company has entered into variety of foreign currency and commodity forward contracts and swaps to manage its exposure to fluctuations in foreign exchange rates and commodity price risk. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

	Unlisted equity instruments
As at 01.04.2015	233
Acquisition	**-**
Gains/(losses) recognised	
- in other comprehensive income	(26)
As at 31.03.2016	**207**
Acquisition	-
Gains/(losses) recognised	
- in other comprehensive income	**110**
As at 31.03.2017	**317**

33.2 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Business commitment and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

The financial risk management of the Company is carried out under the policies approved by the Board of Directors. Within these policies, the Board provides written principles for overall risk management including policies covering specific areas, such as foreign exchange risk management, commodity risk management and investment of funds.

(A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables, loans and advances and derivative instruments. None of the financial instruments of the Company results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

	Notes	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Loans - non current	7	125	125	125
Trade receivables	8	6	6	6
Other financial assets - current	9	4	-	-

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Company operates with a low Debt Equity ratio. The company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk. The Company has access to the borrowing facilities of ₹ 28,450 million as at 31.03.2017 (₹ 29,650 million as at 31.03.2016 and ₹ 28,880 million as at 01.04.2015) to honour any liquidity requirements arising for business needs. The Company has large investments in debt mutual funds which can be redeemed on a very short notice and hence carries negligible liquidity risk.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(i) Financing arrangements
The Company had access to the following borrowing facilities at the end of the reporting period:

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Floating rate			
- Expiring within one year (bank overdraft and other facilities)	28,450	29,650	28,880
- Expiring beyond one year (bank loans)	-	-	-
	28,450	**29,650**	**28,880**

(ii) Maturities of financial liabilities
The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

	Less than 1 year	More than 1 year	Total
As at 31 Mar 2017			
Borrowings	4,836	-	4,836
Trade payables	83,673	-	83,673
Other financial liabilities	13,027	-	13,027
	101,536	**-**	**101,536**

	Less than 1 year	More than 1 year	Total
As at 31 Mar 2016			
Borrowings	774	-	774
Trade payables	74,073	-	74,073
Other financial liabilities	11,971	-	11,971
	86,818	**-**	**86,818**

	Less than 1 year	More than 1 year	Total
As at 1st April 2015			
Borrowings	354	1,448	1,802
Trade payables	56,807	-	56,807
Other financial liabilities	11,309	-	11,309
	68,470	**1,448**	**69,918**

(C) Market risk
(i) Foreign currency risk
The Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the foreign currency risk management policy approved by the Board of Directors. The Company enters into derivative financial instruments to mitigate the foreign currency risk and interest rate risk including,

a) forward foreign exchange and options contracts for foreign currency risk mitigation
b) foreign currency interest rate swaps to mitigate foreign currency & interest rate risk on foreign currency loan.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in INR, are as follows:

	JPY	USD	EURO	GBP	SGD
As at 31st March 2017					
Financial assets					
Trade receivables	2,248	2,224	38	-	-
Foreign exchange derivative contracts	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**2,248**	**2,224**	**38**	**-**	**-**
Financial liabilities					
Trade payables and other financial liabilites	18,564	1,392	1,647	8	-
Foreign exchange derivative contracts	(15,092)	-	(783)	-	-
Net exposure to foreign currency risk (liabilities)	**3,472**	**1,392**	**864**	**8**	**-**

	JPY	USD	EURO	GBP	SGD
As at 31st March 2016					
Financial assets					
Trade receivables	3,454	1,093	106	-	-
Foreign exchange derivative contracts	(3,154)	-	-	-	-
Net exposure to foreign currency risk (assets)	**300**	**1,093**	**106**	**-**	**-**
Financial liabilities					
Borrowings	-	1,535	-	-	-
Trade payables and other financial liabilites	18,389	2,090	2,206	2	2
Foreign exchange derivative contracts	(2,045)	(1,535)	(445)	-	-
Net exposure to foreign currency risk (liabilities)	**16,344**	**2,090**	**1,761**	**2**	**2**

	JPY	USD	EURO	GBP	SGD
As at 1st April 2015					
Financial assets					
Trade receivables	11	1,690	11	-	-
Foreign exchange derivative contracts	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**11**	**1,690**	**11**	**-**	**-**
Financial liabilities					
Borrowings	-	4,802	-	-	-
Trade payables and other financial liabilites	14,777	2,315	1,336	5	-
Foreign exchange derivative contracts	(7,144)	(4,802)	(870)	-	-
Net exposure to foreign currency risk (liabilities)	**7,633**	**2,315**	**466**	**5**	**-**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Foreign currency sensitivity analysis

The Company is mainly exposed to JPY, USD and EURO

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

	Year ended 31.03.2017		Year ended 31.03.2016	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Impact on profit or loss for the year				
JPY impact	1,632	(1,632)	1,494	(1,494)
USD Impact	(83)	83	253	(253)
EURO Impact	161	(161)	213	(213)

(ii) Interest rate risk
The Company had External Commercial Borrowing post merger with erstwhile Suzuki Powertrain India Limited in FY13. The interest rate risk had been mitigated through use of floating to floating Cross Currency Interest Rate Swap derivative (LIBOR to MIOIS) taken at the time of inception of the borrowing. Outstanding USD /INR floating rate cross currency swap as at 31st March 2017 is Nil (as at 31st March 2016 : USD 23.17 million; as at 1st April 2015 : USD 46.33 million).

(iii) Security price risk
Exposure in equity

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as fair value through OCI.

Equity price sensitivity analysis
The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher / lower:
Other comprehensive income for the year ended 31st March 2017 would increase / decrease by ₹ 365 million (for the year ended 31st March 2016: increase / decrease by ₹ 247 million) as a result of the change in fair value of equity investment measured at FVTOCI

Exposure in mutual funds
The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) decleared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investments.

Mutual fund price sensitivity analysis
The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the reporting period.

If NAV has been 1% higher / lower:

Profit for year ended 31.03.2017 would increase / decrease by ₹ 2,737 million (for the year ended 31.03.2016 by ₹ 1,930 million as a result of the changes in fair value of mutual fund investments

33.3 Capital management
The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company has large investments in debt mutual fund schemes wherein underlying portfolio is spread across securities issued by different issuers having different credit ratings. The credit risk of investments in debt mutual fund schemes is

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

managed through investment policies and guidelines requiring adherence to stringent credit control norms based on external credit ratings. The credit quality of the entire portfolio investments is monitored through independent external evaluation of CRISIL Limited on a quarterly basis.

The following table provides detail of the debt and equity at the end of the reporting period :

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Debt	4,836	2,309	5,156
Cash and cash equivalents	(123)	(384)	(177)
Net debt	4,713	1,925	4,979
Total equity	361,711	298,842	254,219
Net debt to equity ratio	0.013	0.006	0.020

33.4 Foreign exchange derivative contracts

The Company follows a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered necessary from time to time. Depending on the future outlook on currencies, the Company may keep the exposures unhedged or hedged only as a part of the total exposure. The Company does not enter into a foreign exchange derivative transactions for speculative purposes.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	**Avg. Exchange Rate**	**Foreign Currency**	**Nominal Amount**	**Fair value asset / (liabilities)**
Cash flow hedges				
Sell JPY (Less than 3 months)				
31.03.2017	-	-	-	-
31.03.2016	0.6065	5,398	3,274	72
01.04.2015	-	-	-	-
Cash flow hedges				
Sell USD (Less than 3 months)				
31.03.2017	-	-	-	-
31.03.2016	-	-	-	-
01.04.2015	63.66	35.8	2,279	32

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

34 Related Party Transactions

34.1 Description of related parties

Holding Company
Suzuki Motor Corporation

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 Limited
Maruti Insurance Broker Limited
J.J. Impex (Delhi) Private Limited

Key Management Personnel
Mr R. C. Bharagava
Mr. Kenichi Ayukawa
Mr. K. Ayabe
Mr. K. Saito
Mr. T. Suzuki
Mr. O. Suzuki
Mr. Toshiaki Hasuike
Mr. Shigetoshi Torii
Mr. Amal Ganguli
Mr. Davinder Singh Brar
Mr. Rajinder Pal Singh
Ms. Pallavi Shroff
Mr. Ajay Seth
Mr. S. Ravi Aiyar

Joint Ventures
Magneti Marelli Powertrain India Private Limited
Plastic Omnium Auto Inergy Manufacturing India Private Limited (Formerly known as Inergy Automotive Systems Manufacturing India Private Limited)

Associates
Bharat Seats Limited
Caparo Maruti Limited
Jay Bharat Maruti Limited
Krishna Maruti Limited
Machino Plastics Limited
SKH Metals Limited
Nippon Thermostat (India) Limited
Bellsonica Auto Component India Private Limited
Mark Exhaust Systems Limited
FMI Automotive Components Private Limited
Krishna Ishizaki Auto Limited
Maruti Insurance Broking Private Limited
Manesar Steel Processing India Private Limited
Hanon Climate Systems India Private Limited
(Formerly Halla Visteon Climate Systems India Private Limited)

Fellow Subsidiaries (only with whom the Company had transactions during the current year)
Suzuki Myanmar Motor Co. Limited
Cambodia Suzuki Motor Co. Limited
Magyar Suzuki Coproration
Pak Suzuki Motor Co. Limited
PT Suzuki IndoMobil Motor
(Formerly PT IndoMobil Suzuki International)
Suzuki (Myanmar) Motor Co. Limited
Suzuki Assemblers Malaysia Sdn Bhd
Suzuki Australia Pty Limited
Suzuki Austria Automobile Handels GmbH
Suzuki Auto South Africa(Pty) Limited
Suzuki France S.A.S.
Suzuki Gb Plc
Suzuki International Europe GmbH
Suzuki Italia Spa
Suzuki Malaysia Automobile Sdn Bhd
Suzuki Motor (Thailand) Co. Limited
Suzuki Motor de Mexico, SA de CV
Suzuki Motor Gujarat Private Limited
Suzuki Motor Iberica S.A.U.
Suzuki Motor Sp Z.O.O.
(Formerly Suzuki Motor Poland Limited)
Suzuki Motorcycle India Limited
Suzuki New Zealand Limited
Suzuki Philippines Inc.
Taiwan Suzuki Automobile Corporation
Thai Suzuki Motor Co. Limited

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

34.2 Transaction with related parties

	For the year ended 31.03.2017	For the year ended 31.03.2016
Sale of goods to:		
- Holding Company, Suzuki Motor Corporation	25,660	6,558
- Subsidiaries	238	306
- Associates	5,500	5,520
- Fellow Subsidiaries		
- Suzuki Motorcycle India Limited	6,691	6,077
- Others	7,863	9,062
	45,952	**27,523**
Sale of property, plant & equipment to:		
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	120	2,019
- Suzuki Motorcycle India Limited	235	-
	355	**2,019**
Purchase of goods from:		
- Holding Company, Suzuki Motor Corporation	15,116	11,673
- Associates		
- Jay Bharat Maruti Limited	12,456	10,768
- Krishna Maruti Limited	13,230	10,745
- Others	39,452	49,367
- Joint Ventures	7,448	6,776
- Fellow Subsidiaries	9,490	1,458
	97,192	**90,787**
Purchase of property, plant & equipment and intangible assets from:		
- Holding Company, Suzuki Motor Corporation	3,036	2,478
- Associates		
- Jay Bharat Maruti Limited	1,192	485
- Others	1,372	1,963
- Joint Ventures	156	276
- Fellow Subsidiaries	65	1
	5,821	**5,203**
Finance income / commission / dividend from:		
- Subsidiaries	-	1
- Associates		
- Jay Bharat Maruti Limited	13	156
- Joint Ventures	-	23
	13	**180**
Other operating revenue / other income from:		
- Holding Company, Suzuki Motor Corporation	660	584
- Subsidiaries	-	1
- Associates	67	62
- Joint Ventures	6	5
- Fellow Subsidiaries	81	110
	814	**762**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Recovery of expenses from:		
- Holding Company, Suzuki Motor Corporation	90	27
- Subsidiaries	-	12
- Associates		
- Bellsonica Auto Component India Private Limited	189	242
- Jay Bharat Maruti Limited	104	129
- Others	233	260
- Joint Ventures	129	74
- Fellow Subsidiaries		
-Suzuki Motor Gujarat Private Limited	290	-
- Others	42	47
	1,077	**791**
Services received from:		
- Holding Company, Suzuki Motor Corporation	385	883
- Associates	1	-
	386	**883**
Dividend paid to:		
- Holding Company, Suzuki Motor Corporation	5,943	4,245
	5,943	**4,245**
Royalty expenses:		
- Holding Company, Suzuki Motor Corporation	38,480	32,443
	38,480	**32,443**
Other expenses:		
- Holding Company, Suzuki Motor Corporation	440	155
- Subsidiaries	42	16
- Associates	41	214
- Fellow Subsidiaries		
-Suzuki Auto South Africa(Pty) Limited	82	65
- Others	70	98
	675	**548**

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Trade Receivables:			
- Holding Company, Suzuki Motor Corporation	2,309	3,718	283
- Subsidiaries	27	75	21
- Associates	55	22	23
- Fellow Subsidiaries			
- Suzuki Motorcycle India Limited	724	582	1,045
- Suzuki Motor Gujarat Private Limited	426	-	12
- Others	549	327	320
	4,090	**4,724**	**1,704**
Other current assets:			
- Holding Company, Suzuki Motor Corporation	127	117	53
- Associates			
-Jay Bharat Maruti Limited	189	104	203
- Others	318	458	677

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
- Fellow Subsidiaries			
-Suzuki Motor Gujarat Private Limited	326	-	-
-Others	1	1	1
- Joint Ventures	19	6	5
	980	**686**	**939**
Other financial assets:			
- Holding Company, Suzuki Motor Corporation	**-**	-	5
- Associates			
- Caparo Maruti Limited	37	27	-
- Jay Bharat Maruti Limited	53	-	133
- Mark Exhaust Systems Limited	33	40	98
- SKH Metals Limited	76	106	320
- Others	74	51	256
- Joint Ventures	3	4	4
- Fellow Subsidiaries			
- Suzuki Motor Gujarat Private Limited	348	-	-
- Others	-	46	30
	624	**274**	**846**
Other non current assets:			
- Holding Company, Suzuki Motor Corporation	429	334	306
- Associates			
- SKH Metals Limited	152	173	122
- Others	38	396	547
- Fellow Subsidiaries	3	1	-
	622	**904**	**975**
Goods in transit:			
- Holding Company, Suzuki Motor Corporation	3,634	2,446	1,632
- Fellow Subsidiaries	418	85	117
	4,052	**2,531**	**1,749**
Borrowings:			
- Holding Company, Suzuki Motor Corporation	-	614	1,159
	-	**614**	**1,159**
Trade payable:			
- Holding Company, Suzuki Motor Corporation	19,165	17,787	14,646
- Associates	10,723	11,146	6,350
- Joint Ventures	572	692	488
- Fellow Subsidiaries	1,852	349	134
	32,312	**29,974**	**21,618**
Other financial liabilities			
- Holding Company, Suzuki Motor Corporation	1,063	1,454	11
- Associates			
-Jay Bharat Maruti Limited	303	19	169
- FMI Automotive Components Private Limited	101	46	-
- Others	274	236	37
- Joint Ventures	17	-	-
- Fellow Subsidiaries	54	-	-
	1,812	**1,755**	**217**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

34.3 Key management personnel compensation

	Year ended 31.03.2017	Year ended 31.03.2016
Short-term benefits	161	181
Post-employment benefits	5	8
Other long-term benefits	1	1
Total Compensation	**167**	**190**
Mr. Kenichi Ayukawa	42	40
Mr. Ajay Seth	22	19
Mr. S. Ravi Aiyar	20	17
Mr. Toshiaki Hasuike	24	34
Mr. Shigetoshi Torii	31	29
Others	28	51
Total Compensation	**167**	**190**

*Refer to note 32 for employee benefit plans.

35 Operating Lease Arrangements

The Company as a Lessee

Leasing arrangements

The Company has entered into operating lease arrangements for various lands. These arrangements are non-cancellable in nature and range between fifteen to ninty nine years. Lease rental expense is set out in note 28 as 'Rent' in 'Other expenses'. The future minimum lease commitments under non-cancellable operating leases are as under:

Non-cancellable operating lease commitments

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Within one year	59	56	56
Later than one year but less than five years	250	244	234
Later than five years	432	497	562
	741	**797**	**852**

The Company as a Lessor

Leasing arrangements

The Company has entered into operating lease arrangements for various lands and premises. These arrangements are both cancellable and non-cancellable in nature and range between three to fifteen years. Lease rental income earned by the Company is set out in Note 22 as 'Rental income'. The future minimum lease receivables under non-cancellable operating leases are as under:

Non-cancellable operating lease receivables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Within one year	88	50	-
Later than one year but less than five years	422	393	-
Later than five years	1,234	1,351	-
	1,744	**1,794**	**-**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

36 Commitments Under Letter of Credit

Outstanding commitments under Letters of Credit established by the Company aggregate ₹ 1,348 million (as at 31.03.2016: ₹ 1,671 million, as at 01.04.2015: ₹ 2,029 million)

37 Capital Commitment

Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for, amounting to ₹ 27,682 million (as at 31.03.2016: ₹ 30,387 million, as at 01.04.2015: ₹ 20,295 million).

38 Contingent Liabilities

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

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) Excise Duty			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	1,585	7,123	2,965
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	11,751	11,099	13,741
(c) Show cause notices on issues yet to be adjudicated	-	7,019	15,670
Total	**13,336**	**25,241**	**32,376**
Amount deposited under protest	1,598	1,561	383
(ii) Service Tax			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	715	430	385
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	2,602	3,318	4,912
(c) Show cause notices on issues yet to be adjudicated	364	486	183
Total	**3,681**	**4,234**	**5,480**
Amount deposited under protest	52	22	19
(iii) Income Tax			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	11,572	7,778	6,033
(b) Cases pending before Appellate authorities / Dispute Resolution Panel in respect of which the Company has filed appeals	44,692	32,254	21,825
Total	**56,264**	**40,032**	**27,858**
Amount deposited under protest	5,172	5,172	7,140
(iv) Custom Duty			
(a) Cases pending before Appellate authorities in respect of which the Company has filed appeals	108	108	103
(b) Others	51	43	32
Total	**159**	**151**	**135**
Amount deposited under protest	22	22	22
(v) Sales Tax			
Cases pending before Appellate authorities in respect of which the Company has filed appeals	67	67	53
Amount deposited under protest	18	18	2
(vi) Claims			
Claims against the Company lodged by various parties	**730**	**326**	**339**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(vii) In earlier years, pursuant to Court orders, the Haryana State Industrial & Infrastructure Development Corporation Limited ("HSIIDC") had raised demands amounting to ₹ 10,317 million towards enhanced compensation to landowners for the Company's freehold land at Manesar, Haryana. Against this, the Company has made a payment of ₹ 3,742 million under protest and capitalised it as part of the cost of land. In previous year, the Punjab & Haryana High Court ("High Court") set aside the above orders and referred the matter back to the District Court, Gurgaon for fresh adjudication. An appeal was preferred by the land owners against the order of the High Court in the Supreme Court. The Supreme Court has set aside the order of the High Court and has remanded the case back to the High Court for fresh adjudication.

(viii) In respect of disputed Local Area Development Tax (LADT) (upto April 15, 2008) / Entry Tax. The amounts under dispute are ₹ 21 million (as at 31.03.2016: ₹ 21 million, as at 01.04.2015: ₹ 21 million) for LADT and ₹ 19 million (as at 31.03.2016: ₹ 19 million, as at 01.04.2015: ₹ 18 million) for Entry Tax. The State Government of Haryana has repealed the LADT effective from April 16, 2008 and introduced the Haryana Tax on Entry of Goods into Local Area Act, 2008 with effect from the same date.

(ix) The Competition Commission of India ("CCI") had passed an order dated August 25, 2014 stating that the Company has violated certain sections of the Competition Act, 2002 and has imposed a penalty of ₹ 4,712 million. An interim stay is in operation on the above order of the CCI pursuant to the writ petition filed by the Company before the Delhi High Court.

B) The amounts shown in the item (A) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

39 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 the entitlement period is ₹ 5,644 million. Till 31st March 2017, the Company has availed of / claimed sales tax benefit amounting to ₹ 2,884 million (till 31.03.2016: ₹ 2,884 million, till 01.04.2015: ₹ 2,626 million).

40 The Board of Directors, in its meeting held on 27th October, 2015 had approved a Scheme of Amalgamation (the "Scheme") under Sections 391 to 394 of the Companies Act, 1956 ('the 1956 Act') and other applicable provisions of the 1956 Act and the applicable provisions of the Companies Act, 2013, as per pooling of interest method, between the Company and its seven wholly owned subsidiaries which were authorised to engage in the business of acting as insurance intermediaries, by the name of Maruti Insurance Business Agency Limited, Maruti Insurance Distribution Services Limited, Maruti Insurance Agency Network Limited, Maruti Insurance Agency Solutions Limited, Maruti Insurance Agency Services Limited, Maruti Insurance Agency Logistics Limited and Maruti Insurance Broker Limited. The amalgamation is not expected to have a material impact.

The amalgamation will be effective from April 1, 2016 being the appointed date and is subject to approval of National Company Law Tribunal (NCLT).

41 The Company entered into a 'Contract Manufacturing Agreement' (CMA) with Suzuki Motor Gujarat Private Limited (SMG), a fellow subsidiary of Suzuki Motor Corporation (SMC) on 17th December, 2015. The terms of the CMA provide for the following:

i. The CMA shall continue for a period of 15 years and automatically extend for a further period of 15 years at the end of the initial period without any further action or documentation on the part of either party, unless terminated by the parties by mutual agreement. After the expiry of an aggregate period of 30 years MSIL and SMG may mutually discuss and agree to extend the period of the CMA.

ii. MSIL will provide SMG with land (on lease) to set up the production facility. The initial lease period of this land is 15 years which will be automatically extended for a further period of 15 years unless terminated by the parties by mutual agreement.

iii. SMG shall, during the term of this agreement, manufacture the products and supply the same on an exclusive basis to MSIL in accordance with other terms and conditions in the CMA. The sales price shall be determined by mutual consent on the basis that SMG does not have any profits or losses at the end of any financial year other than any non-operating income accrued to SMG.

The Company has evaluated this arrangement with respect to the guidance given under Appendix C of Ind AS 17 "Determining Whether an Arrangement Contains a Lease" and has classified this arrangement as an operating lease. The lease charge arising out of this arrangement has been included under the purchase of stock-in-trade.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

42 Auditors' Remuneration *

	Year ended 31.03.2017	Year ended 31.03.2016
Statutory audit	18.30	14.30
Taxation matters	4.82	-
Other audit services / certification	2.94	2.28
Reimbursement of expenses	0.61	0.40

* excluding Service Tax and Swachh Bharat & Krishi Kalyan Cess

includes ₹ 4.31 million paid to predecessor auditors

43 First Time Adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The effect of the Company's transition to Ind AS is summarised in the following notes:

(i) Transition elections

(ii) Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this statement with as reported in previous years as per previous Indian GAAP.

43.1 Transition elections

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company. The Company has applied the following transition exemptions apart from mandatory exceptions in Ind-AS 101 :

1. Deemed cost of property, plant and equipment and other intangible assets
2. Leases
3. Investments in subsidiaries, joint controlled entities and associates in separate financial statements
4. Designation of equity investments at FVTOCI.

Deemed cost of property, plant and equipment and other intangible assets

In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of property, plant and equipment and other intangible assets as deemed cost on transition date.

Leases

In accordance with Ind-AS transitional provisions, the company opted to determine whether an arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement.

Investments in subsidiaries, joint controlled entities and associates in separate financial statements

In accordance with Ind-AS transitional provisions, the company opted to consider previous GAAP carrying value of investments as deemed cost on transition date for investments in subsidiaries, joint ventures and associates in separate financial statement.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Designation of equity investments at FVTOCI
Ind AS 101 allows an entity to designate previously recognised financial instruments basis the facts and circumstances that existed as on transition date. The Company has elected to designate equity investments in Asahi India Glass Limited, Sona Koyo Steering Systems Limited and Denso India Private Limited at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

43.2 Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this statement with as reported in previous years as per previous Indian GAAP
Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following table represents the reconciliation from previous GAAP to Ind AS.

Reconciliation of total equity as at 31st March 2016 and 1st April 2015

	Notes to first time adoption	31st March 2016	1st April 2015
Total equity (shareholder's fund) as per previous GAAP		**270,071**	**237,042**
Adjustments			
Fair valuation of investment in debt mutual funds classified as FVTPL	1	16,889	6,898
Fair valuation of investment in equity instruments classified as FVTOCI	1	4,576	4,477
Deferment of net income from services	2	(8,217)	(7,214)
Proposed dividend and related distribution tax	3	12,725	9,090
Deferred tax adjustments	6	2,798	3,926
Total adjustments		**28,771**	**17,177**
Total equity as per Ind AS		**298,842**	**254,219**

Reconciliation of total comprehensive income for the year ended 31st March 2016

	Notes to first time adoption	Year ended 31.03.2016
Profit after tax as per previous GAAP		**45,714**
Adjustments		
Fair value gain on debt mutual funds	1	9,991
Deferment of net income from services	2	(1,003)
Actuarial gain / loss on defined benefit plans	4	99
Deferred tax adjustments	6	(1,158)
Total adjustments		**7,929**
Profit after tax as per Ind AS		**53,643**
Other comprehensive income		
Actuarial gain / loss on defined benefit plans	4	(99)
Fair value gain on equity instruments	1	99
Gains / losses on cash flow hedges	5	40
Deferred tax adjustments	6	30
Total other comprehensive income		**70**
Total comprehensive income as per Ind AS		**53,713**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Impact of Ind AS adoption on the statements of cash flows for the year ended 31st March 2016

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	84,845	-	84,845
Net cash flow from investing activities	(72,274)	-	(72,274)
Net cash flow from financing activities	(12,364)	-	(12,364)
Net increase / (decrease) in cash and cash equivalents	207	-	207
Cash and cash equivalents as at 1st April 2015	177	-	177
Cash and cash equivalents as at 31st March 2016	**384**	-	**384**

Note 1 : Investment in debt mutual funds and equity instruments
Under the previous GAAP, investment in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March 2016. For equity instruments designated at FVTOCI resulting fair value gains and losses have been recognised in other comprehensive income.

Note 2 : Deferment of service income
Income from services including the associated selling cost is deferred over the respective years to which they pertain. Such income is recognised on straight line basis over the warranty period and the associated service claim cost is recognised as an when incurred. No provision is recognised for such cost.

Note 3 : Proposed dividend and related distribution tax
Under the previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend and related corporate dividend tax were recognised as a liability. Under Ind AS, such dividends and related corporate dividend tax are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend as at 1st April 2015 and 31st March 2016 included under provisions as per previous GAAP have been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by the amount of proposed dividend and related corporate dividend tax.

Note 4 : Actuarial gain / loss on defined benefit plans
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. There is no impact on the total equity.

Note 5 : Gains / losses on cash flow hedges
Under Ind AS, effective portion of fair value gains and losses of hedging instruments designated in a cash flow hedge relationship is recognised in other comprehensive income and taken to FVTOCI reserve in equity, whereas under previous GAAP there was no such concept of other comprehensive income and all such gains and losses were directly recognised in cash flow hedge reserves in equity.

Note 6 : Deferred tax adjustments
Deferred tax have been recognised on the adjustments made on transition to Ind AS. Also deferred tax is recognised on brought forward capital losses and cash flow hedge reserve recognised earlier in books on which no deferred tax was created under previous GAAP.

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

44 Details of Research and Development Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Revenue expenditure		
Employees remuneration and benefits	2,280	2,079
Other expenses of manufacturing and administration	1,249	1,137
Capital expenditure	3,491	3,289
Less: Contract research income	(616)	(570)
	6,404	**5,935**

45 CIF Value of Imports

	Year ended 31.03.2017	Year ended 31.03.2016
Raw materials and components	37,254	33,632
Capital goods	14,818	7,383
Stores and spares	1,155	1,000
Dies and moulds	85	168
Others	116	461

46 Expenditure in Foreign Currency (Accrual Basis)

	Year ended 31.03.2017	Year ended 31.03.2016
Fees for technical services	751	1,417
Travelling expenses	208	160
Running royalty	35,827	32,443
Lumsum royalty and engineering support (excluding R&D cess)	1,143	1,678
Supervision charges capitalised	931	653
Interest	14	40
Others	2,230	1,535

47 Earning in Foreign Currency

	Year ended 31.03.2017	Year ended 31.03.2016
Export of goods (FOB basis)	55,645	47,353
Export of services	646	570

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

48 Dividend Remitted in Foreign Currency (Cash Basis)

	Year ended 31.03.2017	Year ended 31.03.2016
Dividend for the year	5,943	4,245
No. of non-resident shareholders	1	1
No. of shares for which dividend remitted	169,788,440	169,788,440

49 Value of Imported and Indigenous Material Consumed

		Year ended 31.03.2017	Year ended 31.03.2016
I)	**Raw material and components**		
	Imported	33,221	26,158
	Indigenous	393,075	328,681
		426,296	**354,839**
	Percentage of total consumption		
	Imported	8%	7%
	Indigenous	92%	93%
ii)	**Machinery spares**		
	Imported	503	463
	Indigenous	2,184	1,982
		2,687	**2,445**
	Percentage of total consumption		
	Imported	19%	19%
	Indigenous	81%	81%
iii)	**Consumption of stores**		
	Imported	169	122
	Indigenous	2,072	2,018
		2,241	**2,140**
	Percentage of total consumption		
	Imported	8%	6%
	Indigenous	92%	94%

50 Licensed Capacity, Installed Capacity And Actual Production

Product	Units	Licensed Capacity	Installed Capacity **	Actual Production
Passenger Cas and Light Duty Utility Vehicles	Nos	- *	1,555,000	1,573,414
		(-)*	(1,522,000)	(1,424,330)

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

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Previous year figures are in bracket.

51 Sales, Opening Stock and Closing Stock

Product	SALES		Opening Stock		Closing Stock	
	Qty (Nos)	Value	Qty (Nos)	Value	Qty (Nos)	Value
Passenger Vehicles	1,568,603	696,253	19,162	7,695	33,156	12,330
	(1,429,248)	(583,858)	(25,564)	(8,633)	19,162	(7,695)
Spare Parts and Components	*	64,741	*	441	*	481
	*	(55,670)	*	(389)	*	(441)
Dies, Moulds and Others	*	414	*	-	*	-
	*	(49)	*	-	*	
Work in Progress	*	NA	*	1,643	*	1,546
	*	(NA)	*	(1,232)	*	(1,643)

Notes:

1. Traded goods comprise vehicle, spares, components, dies and moulds. During the year 10,449 vehicle (previous year 1 vehicle) was purchased.
2. Closing stock of vehicles is after adjustment of 65 vehicles (previous year 39 vehicles) totally damaged.
3. Sales quantity excludes own use vehicles 1,130 Nos. (previous year 1,191 Nos.)
4. Sales quantity excludes sample vehicles 71 Nos. (previous year 255 Nos.)
5. Previous year figures are in bracket.

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

52 Statement of Raw Material and Components Consumed

Group of material	Unit	2016-17		2015-16	
		Qty	Amount	Qty	Amount
Steel coils	MT	282,397	13,496	240,933	11,434
Ferrous castings	MT	42,507	4,876	39,616	4,476
Non-ferrous castings	MT	43,132	6,678	37,776	5,946
Other components		*	397,440	*	329,580
Paints	K.LTR	11,848		10,078	
	MT	11,347	3,806	10,472	3,403
			426,296		**354,839**

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

53 Purchase of Stock In Trade

	2016-17	2015-16
Traded spares [includes cost related to inhouse manufactured spares ₹ 4,465 million (previous year ₹ 3,551 million)]	37,982	32,040
Traded vehicles	6,587	2
Others	252	24
	44,821	**32,066**

Notes to the Financial Statements

(All amounts in ₹ million, unless otherwise stated)

54 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December 2016

Amount in ₹

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	**1,969,000**	**181,968**	**2,150,968**
(+) Permitted receipts	-	4,552,693	4,552,693
(-) Permitted payments	10,500	1,312,307	1,322,807
(-) Amount deposited in Banks	1,958,500	2,176,960	4,135,460
Closing cash in hand as on 30.12.2016	-	**1,245,394**	**1,245,394**

55 The financial statements were approved by the Board of Directors and authorised for issue on 27th April 2017.

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

SHIGETOSHI TORII
Director
DIN : 06437336

AJAY SETH
Chief Financial Officer

S. RAVI AIYAR
Executive Director (Legal)
& Company Secretary
ICSI MEMBERSHIP NO : F1734

Place: New Delhi
Date: 27th April 2017

Independent Auditor's Report

To The Members of MARUTI SUZUKI INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Maruti Suzuki India Limited** (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") its associates and its joint ventures, comprising the Consolidated Balance Sheet as at 31 March, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group including its Associates and Joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements/ financial information of the subsidiaries, associates and joint ventures referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

a) We did not audit the financial statements / financial information of 9 subsidiaries, whose financial statements/ financial information reflect total assets of ₹ 2997 million as at 31 March, 2017, total revenues of ₹ 1093 million and net cash inflows amounting to ₹ 56 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 811 million for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 2 associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

b) The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 917 million for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 11 associates and 2 joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

c) The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 in respect of 9 subsidiaries, 2 associates included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

d) The comparative financial information of the Group and its associates and joint ventures for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2016 and 31 March 2015 dated 26 April 2016 and 27 April 2015 respectively expressed an unmodified opinion on those consolidated financial statements and have been restated to comply with Ind AS. Adjustments made to the said consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint venture companies incorporated in India, referred in the Other Matters paragraph above we report, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2017 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's, subsidiary companies' and associate companies' incorporated in India internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures. Refer to note 40 to consolidated Ind AS financial statements.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

iv. The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016 of the Group entities as applicable (Refer to note 44 to consolidated Ind AS financial statements). Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us by the Management of the respective Group entities.

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

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 27 April, 2017

Annexure "A" to The Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2017, we have audited the internal financial controls over financial reporting of Maruti Suzuki India Limited (hereinafter referred to as "Parent") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)".These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on "the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 9 subsidiary companies and 2 associate companies which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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

Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 27 April, 2017

Consolidated Balance Sheet

As at March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes No.	**As at 31.03.2017**	As at 31.03.2016	As at 01.04.2015
ASSETS				
Non-current assets				
Property, plant and equipment	4	129,377	121,827	117,400
Capital work-in-progress	4	12,523	10,069	18,169
Intangible assets	5	3,730	3,469	2,923
Financial assets				
Investments	6	269,718	195,345	110,429
Loans	7	3	4	7
Other financial assets	9	241	234	624
Other non-current assets	12	16,033	16,796	16,447
Total non-current assets		**431,625**	**347,744**	**265,999**
Current assets				
Inventories	10	32,637	31,326	26,831
Financial assets				
Investments	6	21,788	11,413	35,195
Trade receivables	8	12,026	13,234	11,181
Cash and bank balances	11	235	507	283
Loans	7	25	31	21
Other financial assets	9	951	1,483	2,022
Current tax assets (Net)	22	4,910	4,906	4,966
Other current assets	12	15,408	16,611	12,628
Total current assets		87,980	79,511	93,127
Total assets		**519,605**	**427,255**	**359,126**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	1,510	1,510	1,510
Other equity	14	369,241	304,650	258,710
Equity attributable to owners of the Company		370,751	306,160	260,220
Non controlling interest	15	154	144	134
Total Equity		**370,905**	**306,304**	**260,354**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	-	-	1,448
Provisions	18	219	148	203
Deferred tax liabilities (Net)	19	5,058	2,287	1,164
Other non-current liabilities	20	11,055	8,075	6,249
Total non-current liabilities		**16,332**	**10,510**	**9,064**
Current liabilities				
Financial liabilities				
Borrowings	16	4,836	774	354
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	21	832	533	590
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	82,860	73,556	56,270
Other financial liabilities	17	13,028	11,978	11,319
Provisions	18	4,498	3,994	4,093
Current tax liabilities (Net)	22	8,036	7,956	7,311
Other current liabilities	20	18,278	11,650	9,771
Total current liabilities		**132,368**	**110,441**	**89,708**
Total liabilities		**148,700**	**120,951**	**98,772**
Total equity and liabilities		**519,605**	**427,255**	**359,126**

The accompanying notes are forming part of these consolidated financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

SHIGETOSHI TORII
Director
DIN : 06437336

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Consolidated Statement of Profit and Loss

for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	For the Year ended 31.03.2017	For the Year ended 31.03.2016
I	Revenue from operations	23	773,164	651,055
II	Other income	24	22,896	14,806
III	**Total Income (I+II)**		**796,060**	**665,861**
IV	**Expenses**			
	Cost of materials consumed	25.1	426,279	354,833
	Purchases of stock-in-trade		44,936	32,179
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	25.2	(3,793)	48
	Excise duty		92,314	75,165
	Employee benefits expense	26	23,603	20,003
	Finance costs	27	894	817
	Depreciation and amortisation expense	28	26,039	28,218
	Other expenses	29	87,280	80,542
	Vehicles / dies for own use		(1,036)	(602)
	Total expenses (IV)		**696,516**	**591,203**
V	**Share of profit of associates**		1,493	998
VI	**Share of profit of joint ventures**		235	191
VII	**Profit before tax (III - IV + V + VI)**		**101,272**	**75,847**
VIII	**Tax expense**			
	Current tax	30	23,369	20,431
	Deferred tax	30	2,793	444
			26,162	20,875
IX	**Profit for the period (VII - VIII)**		**75,110**	**54,972**
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) gain / (loss) of defined benefit obligation	14.5	(159)	(101)
	(b) gain / (loss) on change in fair value of equity instruments	14.6	2,361	99
			2,202	(2)
	A (ii) Income tax relating to items that will not be reclassified to profit or loss	30	61	44
	B (i) Items that will be reclassified to profit or loss			
	(a) effective portion of gain / (loss) on hedging instruments in a cash flow hedge	14.7	(72)	40
			(72)	40
	B (ii) Income tax relating to items that will be reclassified to profit or loss	30	25	(14)
	Total Other Comprehensive Income (A (i+ii)+B(i+ii))		2,216	68
XI	**Total Comprehensive Income for the period (IX + X)**		**77,326**	**55,040**
	Profit for the year attributed to:			
	Owners of the Company		75,099	54,961
	Non controlling interest		11	11
			75,110	54,972
	Other comprehensive income for the year attributable to:			
	Owners of the Company		2,217	69
	Non controlling interest		(1)	(1)
			2,216	68
	Total comprehensive income for the year attributable to:			
	Owners of the Company		77,316	55,030
	Non controlling interest		10	10
			77,326	55,040
	Earnings per equity share	32		
	Basic		248.64	181.98
	Diluted		248.64	181.98

The accompanying notes are forming part of these consolidated financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

AJAY SETH
Chief Financial Officer

SHIGETOSHI TORII
Director
DIN : 06437336

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Consolidated Statement of Changes in Equity
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

a. Equity share capital

	Amount
Balance at 1st April, 2015	1,510
Changes in equity share capital during the year	-
Balance at 31st March, 2016	1,510
Changes in equity share capital during the year	-
Balance at 31st March, 2017	1,510

b. Other equity

	Reserves and Surplus					**Items of other comprehensive income**				
	Reserves created on amalgamation	Securities premium reserve	Capital reserves	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Attributable to owners of the company	Non controlling interest	Total
Balance at April 1, 2015	**9,153**	**4,241**	**2**	**24,738**	**216,115**	**4,440**	**21**	**258,710**	**134**	**258,844**
Profit for the year	-	-	-	-	54,961	-	-	54,961	11	54,972
Other comprehensive income for the year, net of income tax	-	-	-	-	(62)	105	26	69	(1)	68
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**54,899**	**105**	**26**	**55,030**	**10**	**55,040**
Payment of dividend (₹ 25 per share)	-	-	-	-	(7,552)	-	-	(7,552)	-	(7,552)
Tax on Dividend	-	-	-	-	(1,538)	-	-	(1,538)	-	(1,538)
Transfer from retained earnings	-	-	-	4,571	(4,571)	-	-	-	-	-
Balance at March 31, 2016	**9,153**	**4,241**	**2**	**29,309**	**257,353**	**4,545**	**47**	**304,650**	**144**	**304,794**
Profit for the year	-	-	-	-	75,099	-	-	75,099	11	75,110
Other comprehensive income for the year, net of income tax	-	-	-	-	(100)	2,364	(47)	2,217	(1)	2,216
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**74,999**	**2,364**	**(47)**	**77,316**	**10**	**77,326**
Payment of dividend (₹ 35 per share)	-	-	-	-	(10,573)	-	-	(10,573)	-	(10,573)
Tax on Dividend	-	-	-	-	(2,152)	-	-	(2,152)	-	(2,152)
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2017	**9,153**	**4,241**	**2**	**29,309**	**319,627**	**6,909**	**-**	**369,241**	**154**	**369,395**

The accompanying notes are forming part of these consolidated financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

SHIGETOSHI TORII
Director
DIN : 06437336

AJAY SETH
Chief Financial Officer

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Consolidated Statement of Cash Flows
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	For the year ended 31.03.2017	For the year ended 31.03.2016
A.	**Cash flow from Operating Activities:**			
	Profit before tax		101,272	75,847
	Adjustments for:			
	Share of profit of associates		(1,493)	(998)
	Share of profit of joint ventures		(235)	(191)
	Depreciation and amortisation expense	28	26,039	28,218
	Finance costs	27	894	817
	Interest income	24	(378)	(1,518)
	Dividend income	24	(129)	(107)
	Net loss on sale / discarding of property, plant and equipment	29	632	1,354
	Net gain on sale of investments in associates	24	(99)	-
	Net gain on sale of investments in debt mutual funds	24	(614)	(978)
	Fair valuation gain on investment in debt mutual funds	24	(21,403)	(12,203)
	Liabilities no longer required written back	23	(35)	(703)
	Unrealised foreign exchange (gain)/ loss		(320)	(190)
	Operating Profit before Working Capital changes		**104,131**	**89,348**
	Adjustments for changes in Working Capital :			
	- (Increase)/decrease in loans (non-current)	7	1	3
	- (Increase)/decrease in other financial assets (non-current)	9	(7)	390
	- (Increase)/decrease in other non-current assets	12	(320)	64
	- (Increase)/decrease in inventories	10	(1,311)	(4,495)
	- (Increase)/decrease in trade receivables	8	1,215	(2,041)
	- (Increase)/decrease in loans (current)	7	6	(10)
	- (Increase)/decrease in other financial assets (current)	9	639	268
	- (Increase)/decrease in other current assets	12	1,044	(3,199)
	- Increase/(decrease) in non-current provisions	18	71	(55)
	- Increase/(decrease) in other non-current liabilities	20	2,980	1,826
	- Increase/(decrease) in trade payables	21	9,788	17,888
	- Increase/(decrease) in other financial liabilities (current)	17	680	2,075
	- Increase/(decrease) in current provisions	18	504	(99)
	- Increase/(decrease) in other current liabilities	20	6,628	1,980
	Cash generated from Operating Activities		**126,049**	**103,943**
	- Income taxes paid (net of tax deducted at source)		(23,229)	(19,118)
	Net Cash from Operating Activities		**102,820**	**84,825**
B.	**Cash flow from Investing Activities:**			
	Payments for purchase of property, plant and equipment and capital work in progress	4	(32,524)	(24,686)
	Payments for purchase of intangible assets	5	(1,388)	(1,787)
	Proceeds from sale of property, plant and equipment	4	164	123
	Proceeds from sale of investment in associate company	6	219	-
	Proceeds from sale of debt mutual funds	6	118,393	73,779
	Payments for purchase of debt mutual funds	6	(177,155)	(120,443)
	Deposits with banks not considered as cash and cash equivalents (placed) / matured	11	68	(68)
	Interest received	24	362	671
	Dividend received	24	129	107
	Net Cash from / (used in) Investing Activities		**(91,732)**	**(72,304)**

Consolidated Statement of Cash Flows
for the year ended March 31, 2017

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes No.	For the year ended 31.03.2017	For the year ended 31.03.2016
C.	**Cash flow from Financing Activities:**			
	Proceeds from short term borrowings	16	4,836	774
	Repayment of short term borrowings	16	(774)	(354)
	Repayment of long term borrowings	16	(1,535)	(2,773)
	Finance cost paid	27	(1,095)	(923)
	Payment of dividend on equity shares	14.5	(10,573)	(7,552)
	Related income tax	14.5	(2,152)	(1,538)
	Net Cash from/(used in) Financing Activities		**(11,293)**	**(12,366)**
	Net Increase/(Decrease) in cash & cash equivalents		**(205)**	**155**
	Cash and cash equivalents at the beginning of the year		**432**	**277**
	Cash and cash equivalents at the end of the year		**227**	**432**
	Cash and cash equivalents comprises :			
	Cash and cheques in hand	11	8	16
	Balance with Banks	11	219	416
			227	432

The accompanying notes are forming part of these consolidated financial statements

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 27th April 2017

KENICHI AYUKAWA
Managing Director & CEO
DIN : 02262755

SHIGETOSHI TORII
Director
DIN : 06437336

AJAY SETH
Chief Financial Officer

S. RAVI AIYAR
Executive Director (Legal) & Company Secretary
ICSI Membership No : F1734

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

1 General Information

Maruti Suzuki India Limited ("The Company") is a public limited company incorporated and domiciled in India, listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is #1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. The Company is a subsidiary of Suzuki Motor Corporation, Japan. The principal activities of the Company and its subsidiaries are manufacturing, purchase and sale of motor vehicles, components and spare parts and providing insurance services. The other activities of the Company comprise facilitation of pre-owned car sales, fleet management and car financing.

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Upto the year ended 31st March, 2016, the Group prepared the financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act.

These are the Group's first Ind AS financial statements. The date of transition to the Ind AS is 1st April, 2015. Refer to note 46.1 for the details of first-time adoption exemptions availed by the Group.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below.

All assets and liabilities have been classified as current or non-current according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained and its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.3 Basis of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date the control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balance and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and balance sheet respectively.

(ii) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see note (iv) below), after initially being recognised at cost.

(iii) Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Interests in joint ventures are accounted for using the equity method of accounting (see note(iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive

(All amounts in ₹ million, unless otherwise stated)

income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment.

(v) Changes in ownership interests
The group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.4 Going concern
The board of directors have considered the financial position of the Group at 31 March 2017 and the projected cash flows and financial performance of the Group for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Group's operations.

2.5 Use of estimates and judgements
The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Note 33	: Provision for employee benefits
Note 18 & 40	: Provision for Litigations
Note 18	: Provision for warranty and product recall

2.6 Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, sales incentives, value added taxes.

The Group recognises revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk and reward and degree of managerial involvement associated with ownership or effective control have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

2.6.1 Sale of goods
Domestic and export sales are accounted on transfer of significant risks and rewards to the customer and also no continuing involvement of management to the degree associated

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

with ownership nor effective control over the goods sold which takes place on dispatch of goods from the factory and the port respectively.

2.6.2 Income from services
Income from services are accounted over the period of rendering of services.

2.6.3 Income from royalty
Revenue from royalty is recognised on an accrual basis in accordance with the substance of the relevant arrangement.

2.6.4 Dividend and interest income
Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

2.7 Leasing
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.7.1 The Group as lessor
Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

2.7.2 The Group as lessee
Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see note 2.9 below).

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

Upfront amount paid for land taken on lease is amortised over the period of lease.

2.8 Foreign currencies
2.8.1 Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the group operates (‘the functional currency’). The financial statements are presented in Indian rupee (₹), which is the group’s functional and presentation currency.

2.8.2 Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

2.9 Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Employee benefits
2.10.1 Short-term obligations
Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services

(All amounts in ₹ million, unless otherwise stated)

are rendered and are measured at the undiscounted amount expected to be paid.

2.10.2 Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.10.3 Post-employment obligations

Defined benefit plans

The Group has defined benefit plans namely gratuity, provident fund and retirement allowance for employees. The gratuity fund and provident fund are recognised by the income tax authorities and are administered through trusts set up by the Group.

Any shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group has defined contribution plans for post-employment benefit namely the superannuation fund which is recognised by the income tax authorities. This fund is administered through a trust set up by the Group and the Group’s contribution thereto is charged to profit or loss every year. The Group has no further payment obligations once the contributions have been paid. The Group also maintains an insurance policy to fund a post-employment medical assistance scheme, which is a defined contribution plan. The Group’s contribution to State Plans namely Employees’ State Insurance Fund and Employees’ Pension Scheme are charged to the statement of profit and loss every year.

Termination benefits

A liability for the termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.11.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.11.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.11.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

2.12 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of its property, plant and equipment recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Building	3-60 years
Plant and machinery other than Dies and Jigs	8-11 years
Dies and jigs	5 years
Electronic data processing equipment	3 years
Furniture and fixtures	10 years
Vehicles	8 years

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

All assets, the individual written down value of which at the beginning of the year is ₹ 5,000 or less, are depreciated at the rate of 100%. Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

Leasehold land in the nature of perpetual lease is not amortised.

2.13 Intangible assets

2.13.1 Intangible assets acquired separately

Lump sum royalty and engineering support fee is carried at cost which is incurred and stated in the relevant licence agreement with the technical knowhow / engineering support provider less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.13.2 Amortisation methods and useful lives

Lump sum royalty and engineering support fee is amortised on a straight line basis over its estimated useful life i.e. 5 years from the start of production of the related model. An intangible asset is derecognised when no future economic benefits are expected from use.

2.13.3 Deemed cost on transition to Ind AS

For transition to Ind AS, the group has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.14 Impairment of tangible and intangible assets

At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2.15 Inventories

Inventories are valued at the lower of cost, determined on the weighted average basis and net realisable value.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Loose tools are written off over a period of three years except for tools valued at ₹ 5,000 or less individually which are charged to profit or loss in the year of purchase.

Machinery spares (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged to profit or loss on consumption except those valued at ₹ 5,000 or less individually, which are charged to revenue in the year of purchase.

2.16 Provisions and contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

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

2.17 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

2.18 Financial assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.18.1 Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

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A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the group's business model is to hold the financial asset to collect the contractual cash flows.

- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

- cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

2.18.2 Investments in equity instrument at fair value through other comprehensive income (FVTOCI)
On initial recognition, the group can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The group has equity investments in certain entities which are not held for trading. The Group has elected the fair value through other comprehensive income irrevocable option for all such investments. Dividend on these investments are recognised in profit or loss.

2.18.3 Financial assets at fair value through profit or loss (FVTPL)
Investment in equity instrument are classified at fair value through profit or loss, unless the group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Investments in debt based mutual funds are measured at fair value through profit and loss.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

2.18.4 Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

2.18.5 Cash and cash equivalents
In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

2.18.6 Impairment of financial assets
The group assesses impairment based on expected credit losses (ECL) model to the following :

- financial assets measured at amortised cost

- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

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- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or

- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

2.18.7 Derecognition of financial assets
A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

2.18.8 Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

2.19 Financial liabilities and equity instruments
2.19.1 Classification of debt or equity
Debt or equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.19.2 Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

2.19.3 Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

2.19.3.1 Trade and other payables
Trade and other payables represent liabilities for goods or services provided to the group prior to the end of financial year which are unpaid.

2.19.3.2 Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.19.3.3 Foreign exchange gains or losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.19.3.4 Derecognition of financial liabilities
The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired.

2.20 Derivative financial instruments
The Group enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks and commodity price risks. Further details of derivative financial instruments are disclosed in note 34.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair

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value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument which is recognised in other comprehensive income (net of tax) and presented as a separate component of equity which is later reclassified to profit or loss when the hedge item affects profit or loss.

2.20.1 Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

2.21 Hedge accounting

The group designates certain hedging instruments, in respect of foreign currency risk, as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an on-going basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in the fair value of these contracts that are designated and effective as hedges of future cash flows are recognised in other comprehensive income (net of tax) and the ineffective portion is recognised immediately in the profit or loss. Amount accumulated in equity are reclassified to the profit or loss in the periods in which the forecasted transaction occurs.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions, any cumulative gain or loss on the hedging instrument recognised in other equity is retained there until the forecast transaction occurs.

Note 34 sets out details of the fair values of the derivative instruments used for hedging purposes.

2.22 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.23 Earning Per Share

Basic earning per share has been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earning per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

2.24 Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Group.

2.25 Royalty

The group pays / accrues for royalty in accordance with the relevant licence agreements.

2.26 Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

3 Applicability of New and Revised Ind AS

Ind AS 7 has been amended in March 2017 to require an entity to enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Group is evaluating the requirements of the amendment and its effect on the financial statements.

Further, the amendment to Ind AS 102 provides guidance to measurement of cash-settled, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. This amendment is not applicable to the Group.

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4 Property, Plant and Equipment and Capital Work-In-Progress

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Carrying amount of			
Freehold Land	19,079	18,492	17,892
Leasehold Land *	549	526	525
Buildings	16,672	14,413	13,352
Plant & Machinery	90,425	86,105	83,850
Electronic Data Processing (EDP) Equipment	613	486	486
Furniture, Fixtures and Office Appliances	981	895	577
Vehicles	1,058	910	718
	129,377	**121,827**	**117,400**
Capital work-in-progress #	12,523	10,069	18,169
	141,900	**131,896**	**135,569**

* In the nature of perpetual lease

Capital work-in-progress as at 31st March 2017 includes plant and machinery aggregating to ₹ 5,139 million for which trial production commenced during the current year.

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	EDP Equipment	Furniture, Fixtures and Office Appliances	Vehicles	Total
Cost or deemed cost								
Deemed cost at 1st April, 2015	17,892	525	13,352	83,850	486	577	718	117,400
Addition	600	1	1,779	28,246	345	532	596	32,099
Disposal / adjustments*	-	-	-	(462)	(1)	(19)	(273)	(755)
Balance at 31st March, 2016	**18,492**	**526**	**15,131**	**111,634**	**830**	**1,090**	**1,041**	**148,744**
Addition	587	25	3,261	28,213	521	308	525	33,440
Disposal / adjustments*	-	-	(43)	(965)	(1)	2	(263)	(1,270)
Balance at 31st March, 2017	**19,079**	**551**	**18,349**	**138,882**	**1,350**	**1,400**	**1,303**	**180,914**
Accumulated depreciation and impairment as at 1st April, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expenses	-	-	718	25,597	345	197	148	27,005
Disposal / adjustments*	-	-	-	(68)	(1)	(2)	(17)	(88)
Balance at 31st March, 2016	**-**	**-**	**718**	**25,529**	**344**	**195**	**131**	**26,917**
Depreciation expenses	-	2	960	23,348	393	226	165	25,094
Disposal / adjustments*	-	-	(1)	(420)	-	(2)	(51)	(474)
Balance at 31st March, 2017	**-**	**2**	**1,677**	**48,457**	**737**	**419**	**245**	**51,537**
Carrying amount								
Deemed cost at 1st April, 2015	17,892	525	13,352	83,850	486	577	718	117,400
Addition	600	1	1,779	28,246	345	532	596	32,099
Disposal / adjustments*	-	-	-	(394)	-	(17)	(256)	(667)
Depreciation expenses	-	-	(718)	(25,597)	(345)	(197)	(148)	(27,005)
Balance at 31st March, 2016	**18,492**	**526**	**14,413**	**86,105**	**486**	**895**	**910**	**121,827**
Addition	587	25	3,261	28,213	521	308	525	33,440
Disposal / adjustments*	-	-	(42)	(545)	(1)	4	(212)	(796)
Depreciation expenses	-	(2)	(960)	(23,348)	(393)	(226)	(165)	(25,094)
Balance at 31st March, 2017	**19,079**	**549**	**16,672**	**90,425**	**613**	**981**	**1,058**	**129,377**

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4.1 Notes on property, plant and equipment

1 Immovable properties having carrying value of ₹ 27 million (as at 31.03.16 ₹ 14 million; as at 01.04.15 ₹ 14 million) are not yet registered in the name of the Company.

2 Plant and Machinery includes a Gas Turbine jointly owned by the Company with its group companies and other companies (pro-rata cost amounting to ₹ 374 million, carrying amount as at 31st March 2017 Nil (as at 31.03.16 Nil; deemed cost as at 01.04.15 Nil).

3 A part of freehold land of the Company situated at Gurgaon, Manesar and Gujarat has been made available to its group companies / fellow subsidiary.

4 Based on technical evaluation and market considerations, the Company has, with effect from 1st April 2016, revised the estimated useful life of dies & jigs, included in plant and machinery, from 4 years to 5 years. This has resulted in depreciation expenses for the current year being lower by ₹ 2,411 million for the current year.

* Adjustment includes the intra-head re-grouping of amounts.

5 Intangible Assets

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Carrying amount of			
Lumpsum royalty and engineering support fee	3,730	3,469	2,923
	3,730	**3,469**	**2,923**

	Lumpsum royalty and engineering support fee
Cost or deemed cost	
Deemed cost at 1st April, 2015	2,923
Addition	1,759
Balance at 31st March, 2016	**4,682**
Addition	1,206
Balance at 31st March, 2017	**5,888**
Accumulated amortisation and impairment as at 1st April, 2015	
Amortisation expenses	-
Balance at 31st March, 2016	**1,213**
Amortisation expenses	945
Balance at 31st March, 2017	**2,158**
Carrying amount	
Deemed cost at 1st April, 2015	2,923
Addition	1,759
Amortisation expenses	(1,213)
Balance at 31st March, 2016	**3,469**
Addition	1,206
Amortisation expenses	(945)
Balance at 31st March, 2017	**3,730**

5.1 Notes on intangible assets

1 Based on technical evaluation and market considerations, the Company has, with effect from 1st April 2016, revised the estimated useful life of intangible asset from 4 years to 5 years. This has resulted in amortisation expense for the current year being lower by ₹ 307 million.

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6 Investments

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Investment in equity instruments			
- Associate companies	6,810	5,437	4,439
- Joint venture companies	1,197	962	771
- Others	7,301	4,939	4,839
Investment in preference shares	-	-	-
Investment in debt mutual funds	254,410	184,007	100,380
	269,718	**195,345**	**110,429**
Current			
Investment in debt mutual funds	21,788	11,413	35,195
	21,788	**11,413**	**35,195**
Aggregate value of unquoted investments	283,491	201,162	140,267
Aggregate value of quoted investments	8,065	5,646	5,407
Market value of quoted investments	10,274	5,839	5,624
Aggregate value of diminution other than temporary in value of investments	50	50	50

6.1 Investment in associates

Break-up of investment in associates (carrying amount determined using the equity method of accounting)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	Amount	Number	Amount	Number	Amount
Quoted investment (fully paid up)						
Bharat Seats Limited (Face value of ₹ 2 each)	4,650,000	92	4,650,000	79	4,650,000	74
Jay Bharat Maruti Limited (Face value of ₹ 5 each)	6,340,000	892	6,340,000	740	6,340,000	639
Machino Plastics Limited (Face value of ₹ 10 each)	941,700	97	941,700	95	941,700	88
Total aggregate quoted investment (A)		**1,081**		**914**		**801**
Aggregate market value of quoted investment		**3,290**		**1,107**		**1,018**

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(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Unquoted investment (fully paid up)						
Caparo Maruti Limited (Face value of ₹ 10 each)	2,500,000	357	2,500,000	325	2,500,000	338
Hanon Climate Systems India Private Limited (Face value of ₹ 100 each)"	518,700	751	518,700	690	518,700	639
Krishna Maruti Limited (Face value of ₹ 10 each)	670,000	491	670,000	363	670,000	285
SKH Metals Limited (Face value of ₹ 10 each)	2,645,000	463	2,645,000	353	2,645,000	156
Nippon Thermostat (India) Limited (Face value of ₹ 10 each)	125,000	4	125,000	4	125,000	5
Mark Exhaust Systems Limited (Face value of ₹ 10 each)	4,437,465	256	4,437,465	235	4,437,465	232
Bellsonica Auto Components India Private Limited (Face value of ₹ 100 each)	3,540,000	289	3,540,000	171	3,540,000	238
FMI Automotive Components Private Limited (Face value of ₹ 10 each)	44,100,000	489	44,100,000	424	44,100,000	427
Krishna Ishizaki Auto Limited (Face value of ₹ 10 each)	-	-	734,880	119	734,880	87
Manesar Steel Processing India Private Limited (Face value of ₹ 10 each)	6,840,000	42	6,840,000	41	6,840,000	45
Maruti Insurance Broking Private Limited (Face value of ₹ 10 each)	231,275	2,587	231,275	1,798	231,275	1,186
Total aggregate unquoted investment (B)		**5,729**		**4,523**		**3,638**
Total investments carrying value (A) + (B)		**6,810**		**5,437**		**4,439**

Investment in associates are accounted for using the equity method in these consolidated financial statements.

Each of the fourteen associates is not individually material to the Group considering the contribution of these associates to the consolidated net asset of the Group.

Financial information of associates that are not individually material

	Year ended 31.03.2017	Year ended 31.03.2016
The Group's share of profit or loss	1,493	998
The Group's share of total comprehensive income	1,493	998

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Aggregate carrying amount of the Group's interest in these associates	6,810	5,437	4,439

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

6.2 Investment in joint ventures

Break-up of investment in joint ventures (carrying amount determined using the equity method of accounting)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
Unquoted investment (fully paid up)						
Plastic Omnium Auto Inergy Manufacturing India Private Limited (Face value of ₹ 10 each)	6,656,000	180	6,656,000	142	6,656,000	121
Magneti Marelli Powertrain India Limited (Face value of ₹ 10 each)	8,550,000	1,017	8,550,000	820	8,550,000	650
Total aggregate unquoted investment		**1,197**		**962**		**771**

Investment in joint ventures are accounted for using the equity method in these consolidated financial statements.

Each of the joint ventures is not individually material to the Group considering the contribution of these joint ventures to the consolidated net asset of the Group.

Financial information in respect of joint ventures that are not individually material

	Year ended 31.03.2017	Year ended 31.03.2016
The Group's share of profit or loss	235	191
The Group's share of total comprehensive income	**235**	**191**

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Aggregate carrying amount of the Group's interest in these associates	1,197	962	771

6.3 Other equity instruments

Investment in equity instruments at fair value through other comprehensive income

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
Quoted investment (fully paid up)						
Asahi India Glass Limited (Face value of ₹ 1 each)	26,995,200	5,857	26,995,200	4,090	26,995,200	3,913
Sona Koyo Steering Systems Limited (Face value of ₹ 1 each)	13,800,000	1,127	13,800,000	642	13,800,000	693
Total aggregate quoted investment (i)		**6,984**		**4,732**		**4,606**

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(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Unquoted investment (fully paid up)						
Denso India Private Limited (Face value of ₹ 10 each)	2,862,758	316	2,862,758	206	2,862,758	233
Total aggregate unquoted investment (ii)		**316**		**206**		**233**
Investment in equity shares of Section 8 Company						
International Automobile Centre of Excellence (Face value of ₹ 10 each)	100,000	1	100,000	1		-
Investment in equity shares of Section 8 Company (iii)		1		1		-
Investment in other equity instruments [i+ii+iii]		**7,301**		**4,939**		**4,839**

6.4 Investment in preference share

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
Western Paques (India) Limited (Face value of ₹ 100 each)	500,000	50	500,000	50	500,000	50
Less: provision for diminution in value		(50)		(50)		(50)
		-		-		-

6.5 Investment in mutual funds

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non current investment in debt mutual funds	254,410	184,007	100,380
Current investment in debt mutual funds	21,788	11,413	35,195

(All amounts in ₹ million, unless otherwise stated)

Description	Face Value	Numbers as at			As at					
	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
Axis Banking & PSU Debt Fund [Earlier name Axis Banking Debt Fund Direct Plan]	1,000	683,014	683,014	255,691	-	1,030	-	952	-	328
Axis Fixed Term Plan Series 47 (483 Days)	10	-	-	25,000,000	-	-	-	-	279	-
Axis Short Term Fund	10	333,002,109	74,879,353	42,568,240	-	6,128	-	1,257	-	655
Baroda Pioneer Fixed Maturity Plan Series N Plan B (12.4 Months)	10	-	-	15,000,000	-	-	-	-	164	-
Birla Sunlife Fixed Term Plan Series FW	10	-	-	25,000,000	-	-	-	-	312	-
Birla Sunlife Fixed Term Plan Series JI 1099 Days (Earlier 368 Days)	10	-	20,000,000	20,000,000	-	-	243	-	-	224
Birla Sunlife Fixed Term Plan Series JQ 1099 Day (Earlier 368 Days)	10	-	60,000,000	60,000,000	-	-	726	-	-	668
Birla Sunlife Fixed Term Plan Series JY 1099 Days (Earlier 367 Days)	10	-	20,000,000	20,000,000	-	-	241	-	-	222
Birla Sunlife Fixed Term Plan Series KC 1099 Days (Earlier 368 Days)	10	-	20,000,000	20,000,000	-	-	241	-	-	222
Birla Sunlife Govt. Securities Long Term	10	11,596,220	11,596,220	11,596,220	-	579	-	519	-	487
Birla Sunlife Fixed Term Plan Series LG 1157 Day (Earlier 367 Days)	10	60,000,000	60,000,000	80,000,000	766	-	-	708	869	-
Birla Sunlife Fixed Term Plan Series LV (1099 Days)	10	20,000,000	20,000,000	20,000,000	251	-	-	232	-	213
Birla Sunlife Fixed Term Plan Series MA (1099 Days)	10	20,000,000	20,000,000	20,000,000	248	-	-	229	-	210
Birla Sunlife Fixed Term Plan Series MD (1099 Days)	10	50,000,000	50,000,000	50,000,000	613	-	-	563	-	518
Birla Sunlife Fixed Term Plan Series MX (1128 Days)	10	40,000,000	40,000,000	-	-	457	-	418	-	-
Birla Sunlife Fixed Term Plan Series MY (1107 Days)	10	50,000,000	50,000,000	-	-	565	-	516	-	-
Birla Sunlife Dynamic Bond Fund	10	234,032,609	234,032,609	234,032,609	-	6,955	-	6,268	-	5,773
Birla Sunlife Income Plus	10	35,314,419	35,314,419	35,314,419	-	2,668	-	2,384	-	2,257
Birla Sunlife Saving Fund	100	6,332,053	6,332,053	6,332,053	-	2,027	-	1,860	-	1,707
Birla Sunlife Short Term Fund	10	336,711,177	213,663,534	40,441,709	-	21,059	-	12,193	-	2,121
Birla Sunlife Treasury Optimizer Plan	100	1,141,130	1,141,130	-	-	240	-	217	-	-
DSP Black Rock Strategic Bond Fund	10	1,705,807	1,705,807	1,407,588	-	3,395	-	3,064	-	2,371
DSP BlackRock Fixed Maturity Plan Series 163 12 Month		-	-	25,000,000	-	-	-	-	272	-
DSP Black Rock Short Term Fund	10	122,966,814	-	-	-	3,521	-	-	-	-
DSP Black Rock Ultra Short Term Fund	10	168,710,431	-	-	-	2,009	-	-	-	-
DHFL Pramerica Banking & PSU Debt Fund (Earlier name DWS Banking & PSU Debt Fund)	10	68,382,816	68,382,816	-	-	984	-	904	-	-
DWS Fixed Maturity Plan Series 57	10	-	-	50,000,000	-	-	-	-	549	-
DHFL Pramerica Premier Bond Fund (Earlier name DWS Premier Bond Fund)	10	-	25,923,526	25,923,526	-	-	-	643	-	597
DHFL Pramerica Gilt Fund (Earlier name DWS Gilt Fund)	10	38,515,757	38,515,757	38,515,757	-	705	-	638	-	593
DHFL Pramerica Short Term Floating Rate Fund (Earlier name DWS Treasury Fund Investment Plan)	10	45,187,833	45,187,833	45,187,833	-	821	-	759	-	700
DHFL Pramerica Ultra Short Term Fund (Earlier name DWS Ultra Short Term Fund)	10	55,129,962	55,129,962	55,129,962	-	653	-	604	-	553
DWS Interval Fund Annual Plan Series 1	10	-	-	24,205,730	-	-	-	-	280	-
DHFL Pramerica Fixed Maturity Plan Series 82 (Earlier name DWS Fixed Maturity Plan Series 82)	10	25,000,000	25,000,000	25,000,000	306	-	-	281	-	258
DHFL Pramerica Fixed Maturity Plan Series 85 (Earlier name DWS Fixed Maturity Plan Series 85)	10	30,000,000	30,000,000	30,000,000	359	-	-	328	-	301
DHFL Pramerica Fixed Maturity Plan Series 87 (Earlier name DWS Fixed Maturity Plan Series 87)	10	50,000,000	50,000,000	50,000,000	-	596	-	545	-	501
DHFL Pramerica Fixed Maturity Plan Series 91 (Earlier name DWS Fixed Maturity Plan Series 91)	10	30,000,000	30,000,000	-	-	352	-	321	-	-
Franklin India Treasury Management Account	1,000	-	-	550,871	-	-	-	-	-	1,151
HDFC Fixed Maturity Plan 369 Days February 2014 (2) Series 29	10	30,000,000	30,000,000	30,000,000	390	-	-	361	-	332
HDFC Fixed Maturity Plan 378 Days March 2014 (1) Series 29	10	-	-	37,000,000	-	-	-	-	405	-
HDFC Fixed Maturity Plan 384 Days March 2014 (1) Series 29	10	-	-	40,000,000	-	-	-	-	439	-
HDFC FMP 1198 Days Feb 2013 (1) Series 24	10	-	5,000,000	5,000,000	-	-	65	-	-	60
HDFC Fixed Maturity Plan 369 Days January 2014 (1) Series 29	10	-	45,000,000	45,000,000	-	-	543	-	-	500
HDFC Fixed Maturity Plan 370 Days March 2014 (1) Series 29	10	25,000,000	25,000,000	25,000,000	324	-	-	300	-	276
HDFC Fixed Maturity Plan 372 Days December 2013 (1) Series 29	10	-	32,000,000	32,000,000	-	-	389	-	-	358
HDFC Floating Rate Income Fund Long Term Plan	10	65,075,825	72,897,491	72,897,491	-	1,872	-	1,926	-	1,777
HDFC Floating Rate Income Fund Short Term Plan Growth	10	92,433,479	92,433,479	-	-	2,621	-	2,413	-	-
HDFC Mediume Term Opportunity Fund	10	641,119,719	386,703,159	146,402,254	-	11,654	-	6,395	-	2,229

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(All amounts in ₹ million, unless otherwise stated)

Description	Face Value	Numbers as at			As at					
	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
HDFC Fixed Maturity Plan 370 D April 2014 (1) Series 31	10	20,000,000	20,000,000	20,000,000	255	-	-	236	218	-
HDFC Fixed Maturity Plan 370 D April 2014 (2) Series 31	10	40,000,000	40,000,000	60,000,000	510	-	-	472	653	-
HDFC Fixed Maturity Plan 1111 Days November 2015 (1) Series 34	10	40,000,000	40,000,000	-	-	449	-	410	-	-
HDFC Fixed Maturity Plan 1114D March 2016 (1) Series 35	10	250,000,000	250,000,000	-	-	2,750	-	2,507	-	-
HDFC Fixed Maturity Plan 1167 Days January 2016 (1)	10	180,000,000	180,000,000	-	-	2,007	-	1,831	-	-
HDFC Fixed Maturity Plan 371 Days June 2014 (3) Series 31	10	-	-	25,000,000	-	-	-	-	267	-
HDFC Floating Rate Income Fund Short Term Plan	10	-	-	92,433,479	-	-	-	-	-	2,217
HDFC High Interest Fund - Dynamic Plan	10	27,381,267	27,381,267	27,381,267	-	1,604	-	1,435	-	1,345
HDFC Income Fund	10	73,743,649	73,743,649	73,743,649	-	2,853	-	2,564	-	2,405
HDFC Short Term Opportunities Fund	10	726,177,638	472,665,120	132,564,742	-	13,144	-	7,845	-	2,026
HSBC Income Fund Short Term Plan	10	51,140,380	51,140,380	36,386,144	-	1,428	-	1,307	-	857
HSBC Fixed Term Series 109-377 Days	10	-	-	50,000,000	-	-	-	-	546	-
ICICI Prudential Fixed Maturity Plan Series 68 745 Days Plan H	10	-	35,000,000	40,000,000	-	-	441	-	467	-
ICICI Prudential Fixed Maturity Plan Series 73 376 Days Plan Q	10	-	-	38,000,000	-	-	-	-	415	-
ICICI Prudential Interval Fund Series VI Annual Interval Plan C	10	10,760,176	10,760,176	22,854,844	151	-	141	-	276	-
ICICI Prudential Blended Plan B	10	-	17,130,523	17,130,523	-	-	-	387	-	357
ICICI Prudential Fixed Maturity Plan Series 73 369 Days Plan S	10	-	-	35,000,000	-	-	-	-	382	-
ICICI Prudential Fixed Maturity Plan Series 73 369 Days Plan T	10	-	-	45,000,000	-	-	-	-	492	-
ICICI Prudential Fixed Maturity Plan Series 74 367 Days Plan D	10	60,000,000	60,000,000	85,000,000	768	-	-	710	923	-
ICICI Prudential Fixed Maturity Plan Series 74 369 Days Plan F	10	40,000,000	40,000,000	50,000,000	511	-	-	473	543	-
ICICI Prudential Fixed Maturity Plan Series 74 370 Days Plan X	10	-	-	20,000,000	-	-	-	-	213	-
ICICI Prudential Fixed Maturity Plan Series 74-369 Days Plan K	10	-	-	25,000,000	-	-	-	-	269	-
ICICI Prudential Fixed Maturity Plan Series 75- 1100 Days Plan H	10	15,000,000	15,000,000	15,000,000	188	-	-	174	-	160
ICICI Prudential Fixed Maturity Plan Series 75- 1100 Days Plan O	10	15,000,000	15,000,000	15,000,000	186	-	-	171	-	157
ICICI Prudential Fixed Maturity Plan Series 75 1100 Days Plan R	10	50,000,000	50,000,000	50,000,000	614	-	-	565	-	518
ICICI Prudential Fixed Maturity Plan Series 75 1103 Days Plan P	10	35,000,000	35,000,000	35,000,000	429	-	-	395	-	363
ICICI Prudential Fixed Maturity Plan Series 76 1100 Days Plan G	10	50,000,000	50,000,000	50,000,000	599	-	-	551	-	507
ICICI Prudential Fixed Maturity Plan Series 76 1100 Days Plan T	10	35,000,000	35,000,000	35,000,000	417	-	-	382	-	351
ICICI Prudential Fixed Maturity Plan Series 76 1103 Days Plan F	10	25,000,000	25,000,000	25,000,000	300	-	-	276	-	254
ICICI Prudential Fixed Maturity Plan Series 76 1155 Days Plan K	10	30,000,000	30,000,000	30,000,000	-	361	-	331	-	304
ICICI Prudential Banking and PSU Debt Fund	10	141,291,460	141,291,460	70,952,678	-	2,675	-	2,403	-	1,107
ICICI Prudential Flexible Income	100	11,858,050	11,858,050	9,596,222	-	3,707	-	3,403	-	2,529
ICICI Prudential Income Fund	10	48,662,288	48,662,288	48,662,288	-	2,653	-	2,334	-	2,186
ICICI Prudential Income Opportunities Fund	10	103,095,285	103,095,285	82,661,789	-	2,405	-	2,172	-	1,616
ICICI Prudential Saving Fund	100	-	-	3,792,553	-	-	-	-	-	797
ICICI Prudential Ultra Short Term Direct Plan	10	713,250,632	551,079,506	-	-	12,205	-	8,600	-	-
IDFC Dynamic Bond Fund	10	200,427,616	200,427,616	200,427,616	-	4,199	-	3,680	-	3,469
IDFC Government Securities Fund Investment Plan	10	20,690,838	20,690,838	20,690,838	-	423	-	370	-	350
IDFC Super Saver Income Fund Medium Term Plan	10	-	-	37,686,075	-	-	-	-	-	903
IDFC Super Saver Income Fund Short Term Plan	10	-	-	76,757,984	-	-	-	-	-	2,228
IDFC Money Manager Fund Investment Plan	10	125,124,014	105,056,990	62,901,943	-	3,221	-	2,480	-	1,368
IDFC Banking Debt Fund	10	91,140,256	91,140,256	91,140,256	-	1,275	-	1,189	-	1,095
IDFC Corporate Bond Fund	10	681,053,726	-	-	-	7,639	-	-	-	-
IDFC Super Saver Income Fund Short Term Plan	10	134,579,249	134,579,249	-	-	4,619	-	4,244	-	-
IDFC Super Saver Income Fund Medium Term Plan	10	37,686,075	37,686,075	-	-	1,076	-	977	-	-
IDFC Yearly Series Interval Fund Direct Plan Series I	10	-	41,835,157	44,154,984	-	-	550	-	534	-
IDFC Yearly Series Interval Fund Direct Plan Series II	10	-	21,079,644	21,079,644	-	-	279	-	256	-
IDFC Fixed Term Plan Series 88 (372 Days)	10	-	-	21,000,000	-	-	-	-	230	-
JM Money Manager Fund Super Plus Plan Growth Option	10	37,591,347	37,591,347	-	-	876	-	809	-	-
JP Morgan Fixed Maturity Plan Series 23	10	-	8,000,000	8,000,000	-	-	102	-	-	94
JP Morgan Income Fund Series 301	10	-	-	85,121,701	-	-	-	-	1,057	-
Edelweiss Bond Fund [Earlier name JP Morgan Active Income Bond Fund]	10	63,048,829	93,948,790	93,948,790	-	1,141	-	1,560	-	1,458
Edelweiss Liquid Fund [Earlier name JP Morgan India Liquid Fund]	10	52,935,460	99,231,756	197,154,896	-	644	-	1,131	-	2,083
Kotak Bond Fund [Earlier name Kotak Bond Scheme Plan A]	10	84,088,525	84,088,525	84,088,525	-	4,016	-	3,618	-	3,407
Kotak Bond Short Term	10	268,906,154	20,779,182	-	-	8,508	-	597	-	-

(All amounts in ₹ million, unless otherwise stated)

Description	Face Value	Numbers as at			As at					
	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
Kotak Treasury Advantage Fund	10	144,239,928	144,239,928	80,748,992	-	3,802	-	3,513	-	1,808
Kotak Fixed Maturity Plan Series 136	10	-	35,000,000	35,000,000	-	-	422	-	-	389
Kotak Fixed Maturity Plan Series 142	10	35,000,000	35,000,000	50,000,000	453	-	-	420	553	-
Kotak Fixed Maturity Plan Series 147	10	-	-	40,000,000	-	-	-	-	439	-
Kotak Fixed Maturity Plan Series 150	10	25,000,000	25,000,000	25,000,000	328	-	-	302	-	279
Kotak Fixed Maturity Plan Series 151	10	25,000,000	25,000,000	40,000,000	319	-	-	296	437	-
Kotak Fixed Maturity Plan Series 155	10	-	-	40,000,000	-	-	-	-	437	-
Kotak Fixed Maturity Plan Series 156	10	18,000,000	18,000,000	55,000,000	229	-	-	212	599	-
Kotak Fixed Maturity Plan Series 157	10	-	-	60,000,000	-	-	-	-	653	-
Kotak Fixed Maturity Plan Series 158	10	25,000,000	25,000,000	40,000,000	318	-	-	295	435	-
Kotak Fixed Maturity Plan Series 159	10	20,000,000	20,000,000	30,000,000	254	-	-	236	326	-
Kotak Fixed Maturity Plan Series 171	10	20,000,000	20,000,000	20,000,000	240	-	-	220	-	203
Kotak Fixed Maturity Plan Series 176	10	25,000,000	25,000,000	-	-	290	-	265	-	-
Kotak Fixed Maturity Plan Series 178	10	45,000,000	45,000,000	-	-	517	-	473	-	-
L & T Fixed Maturity Plan Series X Plan S	10	-	-	25,000,000	-	-	-	-	273	-
L & T Fixed Maturity Plan Series X Plan T	10	-	-	43,000,000	-	-	-	-	470	-
L& T Ultra Short Term Fund	10	55,748,239	55,748,239	122,646,125	-	818	-	755	-	1,526
L&T Liquid Fund	1,000	-	-	263,266	-	-	-	-	-	505
L & T Short Term Opportunities Fund	10	180,948,268	154,350,401	-	-	2,884	-	2,259	-	-
LIC Nomura MF Fixed Maturity Plan Series 76 382 Days	10	-	-	20,000,000	-	-	-	-	218	-
LIC Nomura MF Fixed Maturity Plan Series 79 373 Days	10	-	-	20,000,000	-	-	-	-	218	-
LIC Nomura MF Fixed Maturity Plan Series 81 371 Days	10	-	-	25,000,000	-	-	-	-	272	-
LIC Nomura MF Fixed Maturity Plan Series 86 370 Days	10	-	-	15,000,000	-	-	-	-	160	-
Reliance Banking & PSU Debt Fund Direct Plan	10	275,291,993	173,988,866	-	-	3,257	-	1,880	-	-
Reliance Yearly Interval Fund Series 2	10	81,392,880	128,329,697	128,329,697	1,157	-	1,696	-	1,559	-
Reliance Yearly Interval Fund Series 3	10	-	36,525,011	36,525,011	-	-	483	-	444	-
Reliance Yearly Interval Fund Series I	10	220,616,623	220,616,623	220,616,623	3,123	-	2,905	-	2,672	-
Reliance Fixed Horizon Fund XXII Series 34	10	-	-	5,000,000	-	-	-	-	61	-
Reliance Fixed Horizon Fund XXVI Series 2	10	-	-	80,000,000	-	-	-	-	879	-
Reliance Fixed Horizon Fund XXVI Series 5	10	-	-	20,000,000	-	-	-	-	219	-
Reliance Fixed Horizon Fund XXVI Series 17	10	34,000,000	34,000,000	34,000,000	435	-	-	402	369	-
Reliance Fixed Horizon Fund XXVI Series 8	10	-	-	50,000,000	-	-	-	-	542	-
Reliance Fixed Horizon Fund XXVI Series 9	10	-	-	175,000,000	-	-	-	-	1,909	-
Reliance Fixed Horizon Fund XXVII Series 11	10	45,000,000	45,000,000	45,000,000	552	-	-	506	-	466
Reliance Fixed Horizon Fund XXVIII Series 10	10	45,000,000	45,000,000	45,000,000	-	539	-	493	-	452
Reliance Fixed Horizon Fund XXIX Series 10	10	30,000,000	30,000,000	-	-	339	-	310	-	-
Reliance Fixed Horizon Fund XXIX Series 16	10	50,000,000	50,000,000	-	-	563	-	514	-	-
Reliance Fixed Horizon Fund XXIX Series 8	10	50,000,000	50,000,000	-	-	572	-	522	-	-
Reliance Fixed Horizon Fund XXIX Series 9	10	60,000,000	60,000,000	-	-	681	-	622	-	-
Reliance Fixed Horizon Fund XXX Series 4	10	85,000,000	85,000,000	-	-	947	-	864	-	-
Reliance Yearly Interval Fund Series 6	10	22,964,644	22,964,644	22,964,644	318	-	295	-	272	-
Reliance Yearly Interval Fund Series 8	10	33,812,627	33,812,627	46,058,753	460	-	426	-	535	-
Reliance Dynamic Bond Fund	10	132,568,584	132,568,584	132,568,584	-	3,049	-	2,718	-	2,558
Reliance Floating Rate Fund Short Term	10	307,631,477	277,895,589	72,977,200	-	8,088	-	6,717	-	1,626
Reliance Income Fund	10	9,712,908	9,712,908	9,712,908	-	536	-	479	-	451
Reliance Money Manager Fund	10	517,148	517,148	-	-	1,177	-	1,086	-	-
Reliance Short Term Fund	10	712,835,497	116,240,942	-	-	22,526	-	3,350	-	-
Invesco India Ultra Short Term Fund [Earlier name Religare Invesco Ultra Short Term Fund]	1,000	1,254,342	1,254,342	2,822,269	-	1,593	-	1,469	-	3,044
Invesco India FMP Sr 23 Plan H (370 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 23 Plan H (370 Days)]	10	25,000,000	25,000,000	25,000,000	319	-	-	295	273	-
Religare Invesco Fixed Maturity Plan Series 23 Plan J (370 Days)	10	-	-	30,000,000	-	-	-	-	327	-

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Description	Face Value	Numbers as at			As at					
	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
Religare Invesco Fixed Maturity Plan Series 23 Plan L (370 Days)	10	-	-	17,821,656	-	-	-	-	193	-
Religare Invesco Fixed Maturity Plan Series 23 Plan O 370 Days	10	-	-	10,000,000	-	-	-	-	107	-
Invesco India FMP Sr 25 Plan A (1098 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 25 Plan A (1098 Days)]	10	25,000,000	25,000,000	25,000,000	302	-	-	277	-	255
Invesco India FMP Sr 25 Plan F (1126Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 25 Plan F (1126 Days)]	10	30,000,000	30,000,000	30,000,000	-	357	-	327	-	300
Invesco India FMP Sr 26 Plan C (1098 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 26 (1098 Days)]	10	30,000,000	30,000,000	-	-	348	-	318	-	-
Invesco India Short Term Fund [Earlier name Religare Short Term Fund]	1,000	1,622,460	751,980	751,980	-	3,635	-	1,543	-	1,434
Religare Invesco Fixed Maturity Plan 376 Days Series 23 Plan G	10	-	-	25,000,000	-	-	-	-	273	-
Religare Invesco Fixed Maturity Plan Series 22 Plan F (15 Months)	10	-	-	30,000,000	-	-	-	-	334	-
Invesco India FMP Sr 22 Plan H (427 Days) [Earlier name Religare Invesco Fixed Maturity Plan Series 22 Plan H (427 Days)]	10	25,000,000	25,000,000	25,000,000	329	-	-	301	-	278
Religare Invesco Fixed Maturity Plan Series 22 Plan L (14 Month)	10	-	-	10,000,000	-	-	-	-	111	-
SBI Debt Fund Series A-14 380 Days	10	-	-	30,000,000	-	-	-	-	328	-
SBI Debt Fund Series A-35 369 Days	10	-	-	25,000,000	-	-	-	-	266	-
SBI Debt Fund Series A-17 366 Days	10	-	-	65,000,000	-	-	-	-	706	-
SBI Debt Fund Series A-19 366 Days	10	-	-	19,500,000	-	-	-	-	212	-
SBI Debt Fund Series A-20 366 Days	10	-	-	40,000,000	-	-	-	-	434	-
SBI Debt Fund Series B-8 (1105 Days)	10	25,000,000	25,000,000	25,000,000	-	297	-	272	-	250
SBI Debt Fund Series B-18 (1100 Days)	10	30,000,000	30,000,000	-	-	351	-	322	-	-
SBI Debt Fund Series B-26 (1100 Days)	10	30,000,000	30,000,000	-	-	339	-	309	-	-
SBI Debt Fund Series B-27 (1100 Days)	10	30,000,000	30,000,000	-	-	337	-	308	-	-
SBI Dynamic Bond Fund	10	160,943,391	160,943,391	160,943,391	-	3,405	-	2,978	-	2,803
SBI Premier Liquid Fund	1,000	-	-	1,325,633	-	-	-	-	-	2,915
SBI Short Term Debt Fund	10	150,936,462	150,936,462	123,538,537	-	2,903	-	2,646	-	1,995
SBI Ultra Short Term Debt Fund	1,000	1,529,671	1,529,671	920,996	-	3,224	-	2,986	-	1,656
Sundaram Fixed Term Plan GY	10	65,000,000	65,000,000	-	-	755	-	691	-	-
Sundaram Fixed Term Plan HB	10	50,000,000	50,000,000	-	-	561	-	512	-	-
Sundaram Money Fund	10	183,330,755	183,330,755	183,330,755	-	2,250	-	2,096	-	1,937
Sundaram Ultra Short Term Fund	10	26,443,089	26,443,089	26,443,089	-	343	-	317	-	292
Sundaram Fixed Term Plan FI 383 Days	10	-	-	25,000,000	-	-	-	-	274	-
Sundaran Banking and PSU Debt Fund [Earlier name Sundaram Flexible Fund Short Term Plan]	10	65,468,998	65,468,998	36,085,022	-	1,684	-	1,569	-	797
Tata Fixed Maturity Plan Series 45 Scheme C	10	-	17,370,158	17,370,158	-	-	213	-	-	196
Tata Fixed Maturity Plan Series 46 Scheme R	10	-	-	20,000,000	-	-	-	-	220	-
Tata Fixed Maturity Plan Series 47 Scheme C	10	-	-	20,000,000	-	-	-	-	219	-
Tata Fixed Maturity Plan Series 47 Scheme D	10	-	-	40,000,000	-	-	-	-	439	-
Tata Fixed Maturity Plan Series 47 Scheme F	10	-	-	20,000,000	-	-	-	-	218	-
Tata Ultra Short Term Fund [Earlier name Tata Floater Fund]	10	1,093,981	1,093,981	-	-	2,715	-	2,504	-	-
Tata Short Term Bond Fund	10	250,995,072	200,971,748	59,062,611	-	7,902	-	5,781	-	1,562
UTI Fixed Term Income Fund Series XVII-I (369 Days)	10	-	13,699,256	13,699,256	-	-	167	-	-	154
UTI Fixed Term Income Fund Series XVII-XIII (369) Days	10	32,000,000	32,000,000	32,000,000	417	-	-	386	-	355
UTI Fixed Term Income Fund Series XIX IX 369 Days	10	54,995,921	54,995,921	75,000,000	691	-	-	638	800	-
UTI Fixed Term Income Fund Series XIX VI 366 Days	10	25,000,000	25,000,000	25,000,000	314	-	-	291	267	-
UTI Fixed Term Income Fund Series XIX XI 366 Days	10	33,039,648	33,039,648	40,000,000	414	-	-	382	426	-
UTI Fixed Term Income Fund Series XVIII VIII (366 Days)	10	-	-	25,000,000	-	-	-	-	272	-
UTI Fixed Term Income Fund Series XX VIII (1105 Days)	10	50,000,000	50,000,000	50,000,000	613	-	-	563	-	518
UTI Fixed Term Income Fund Series XX X (1105 Days)	10	30,000,000	30,000,000	30,000,000	367	-	-	337	-	309
UTI Fixed Term Income Fund Series XXI XI (1112 Days)	10	50,000,000	50,000,000	50,000,000	-	597	-	546	-	503
UTI Fixed Term Income Fund Series XXII XIV (1100 Days)	10	45,000,000	45,000,000	-	-	518	-	473	-	-
UTI Fixed Term Income Fund Series XXIII-III (1098 Days)	10	40,000,000	40,000,000	-	-	458	-	419	-	-
UTI Fixed Term Income Fund Series XXIII- VII (1098) Days	10	35,000,000	35,000,000	-	-	395	-	361	-	-
UTI Treasury Advantage Fund	1,000	2,889,912	2,889,912	-	-	6,518	-	5,993	-	-

(All amounts in ₹ million, unless otherwise stated)

Description	Face Value	Numbers as at			As at					
	₹	**31.03.2017**	31.03.2016	01.04.2015	**31.03.2017**		31.03.2016		01.04.2015	
					Current	**Non Current**	Current	Non Current	Current	Non Current
Units of Debt Mutual Funds :										
UTI Bond Fund	10	53,181,546	53,181,546	53,181,546	-	2,765	-	2,417	-	2,281
UTI Floating Rate Fund	1,000	705,166	705,166	705,166	-	1,917	-	1,757	-	1,610
Kotak FMP Series 159-370	10	1,250,000	1,250,000	1,250,000	**16**	**-**	**-**	**15**	**14**	**-**
Reliance Yearly Interwal Fund Series 6 - Direct Growth Plan	10	1,285,737	1,285,737	1,285,737	**-**	**18**	**16**	**-**	**15**	**-**
Templeton Treasury Management fund Growth Plan	10	1,796	1,796	4,456	**-**	**4**	**4**	**-**	**9**	**-**
Reliance Floating Rate Fund - STP	10	150,118	150,118	-	**-**	**4**	**4**	**-**	**-**	**-**
Sundaram Fixed Term Plan DC 15 Month Direct Growth	10	9,576,780	9,576,780	9,576,780	**122**	**-**	**-**	**113**	**104**	**-**
Reliance Fixed Horizon Fund -XXIII Series 13 - Direct Growth Plan	10	922,112	922,112	922,112	**12**	**-**	**-**	**11**	**10**	**-**
Kotak FMP Series 159 Direct Growth	10	1,500,000	1,500,000	1,500,000	**19**	**-**	**-**	**18**	**16**	**-**
Reliance Yearly Interval Fund	10	229,596	229,596	229,596	**-**	**3**	**3**	**-**	**3**	**-**
IDFC Money Manager Fund	10	457,878	457,878	-	**-**	**12**	**11**	**-**	**-**	**-**
Reliance Floating Rate Fund STP	10	-	23,245	-	**-**	**-**	**1**	**-**	**-**	**-**
Sundaram Fixed Term Plan GE Direct Growth	10	1,718,047	1,718,047	1,718,047	**22**	**-**	**-**	**20**	**19**	**-**
UTI Fixed Term income fund series VIII -VII Direct Growth plan	10	1,106,570	1,106,570	1,106,570	**14**	**-**	**-**	**13**	**12**	**-**
Tata Fixed Term Plan Series 47 Scheme J	10	-	-	1,050,000	**-**	**-**	**-**	**-**	**11**	**-**
HDFC CMF Treasury Advantage plan	10	-	-	-	**-**	**-**	**-**	**-**	**-**	**-**
HDFC Medium Term Opportunity Fund	10	689,066	993,817	-	**-**	**13**	**16**	**-**	**-**	**-**
Kotak FMP Series 159-370	10	4,000,000	4,000,000	4,000,000	**51**	**-**	**-**	**47**	**43**	**-**
Reliance Annual Interval Fund Series 6	10	1,193,898	1,193,898	1,193,898	**-**	**17**	**15**	**-**	**14**	**-**
IDFC Money Manager Fund - Investment Fund Growth	10	4,441,412	4,441,412	-	**-**	**114**	**105**	**-**	**-**	**-**
Reliance Floating Rate Fund STP	10	257,345	257,345	-	**-**	**7**	**6**	**-**	**-**	**-**
Reliance Fixed Horizon Fund -XXIII Series 13 - Direct Growth Plan	10	1,845,100	1,845,100	1,845,100	**24**	**-**	**-**	**22**	**20**	**-**
Sundaram Fixed Term Plan GE 366 Days Direct Growth	10	8,701,595	8,701,595	8,701,595	**111**	**-**	**-**	**102**	**94**	**-**
UTI Fixed Term Income Fund Series VIII -VII 368 Days	10	4,426,280	4,426,280	4,426,280	**56**	**-**	**-**	**52**	**48**	**-**
ICICI Prudebtial FMP Series 74-368 Days	10	-	-	2,500,000	**-**	**-**	**-**	**-**	**27**	**-**
Tata Fixed Term Plan Series 47 Scheme J	10	-	-	9,300,000	**-**	**-**	**-**	**-**	**102**	**-**
Kotak FMP Series 159 370	10	3,800,000	3,800,000	3,800,000	**48**	**-**	**-**	**45**	**41**	**-**
Reliance Annual Interval Fund Series 6	10	734,707	734,707	734,707	**-**	**10**	**9**	**-**	**9**	**-**
Reliance Floating Rate Fund STP	23	-	1,200	-	**-**	**-**	**-**	**-**	**-**	**-**
Reliance Fixed Horizon Fund -XXVI Series 13 367 Days	10	1,229,512	1,229,512	1,229,512	**16**	**-**	**-**	**15**	**13**	**-**
IDFC Money Manager Fund	10	4,054,522	4,179,266	-	**-**	**104**	**99**	**-**	**-**	**-**
Sundaram Fixed Term Plan GE 366 Daya Direct Growth	10	4,040,563	4,040,563	4,040,563	**51**	**-**	**-**	**47**	**44**	**-**
UTI Fixed Term income fund series XVIII -VII Direct Growth plan	10	4,426,280	4,426,280	4,426,280	**56**	**-**	**-**	**52**	**48**	**-**
Tata Fixed Term Plan Series 47 Scheme J	10	-	-	9,300,000	**-**	**-**	**-**	**-**	**102**	**-**
ICICI Prudebtial FMP Series 74 -368 Days Plan H	10	-	-	12,220,000	**-**	**-**	**-**	**-**	**133**	**-**
Kotak FMP Series 159 370	10	2,150,000	2,150,000	2,150,000	**27**	**-**	**-**	**25**	**23**	**-**
Reliance Annual Interval Fund Series 6	10	367,353	367,353	367,353	**-**	**5**	**5**	**-**	**4**	**-**
HDFC Medium Term Opportunity Fund	10	8,464,699	8,464,699	-	**-**	**154**	**140**	**-**	**-**	**-**
Reliance Floating Rate Fund - STP	10	343,127	343,127	-	**-**	**9**	**8**	**-**	**-**	**-**
Sundaram Fixed Term Plan GE Direct Growth	10	3,698,489	3,698,489	3,698,489	**47**	**-**	**-**	**43**	**40**	**-**
Birla Sunlife Short Term Fund -Growth Direct Plan	10	6,230,813	6,537,142	6,537,142	**-**	**390**	**373**	**-**	**343**	**-**
IDFC Saver Income Fund Short Term Plan	10	-	281,561	-	**-**	**-**	**7**	**-**	**-**	**-**
Reliance Annual Interval Fund Series 6	10	1,836,767	1,836,767	1,836,767	**-**	**25**	**23**	**-**	**22**	**-**
Reliance Fixed Forizon Fund -XXVI Series 13 367 Days	10	41,965,928	41,965,928	41,965,928	**535**	**-**	**-**	**496**	**457**	**-**
Sundaram Fixed Term Plan GE 366 Days	10	5,559,895	5,559,895	5,559,895	**71**	**-**	**-**	**65**	**60**	**-**
UTI Fixed Term income fund series XIX-III -Direct Growth	10	28,000,000	28,000,000	28,000,000	**353**	**-**	**-**	**326**	**301**	**-**
Tata Fixed Term Plan Series 47 Scheme J	10	-	-	3,100,000	**-**	**-**	**-**	**-**	**34**	**-**
	10				**21,788**	**254,410**	**11,413**	**184,007**	**35,195**	**100,380**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

7 Loans (unsecured and considered good, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non Current			
Employee related loans and advances	2	3	4
Inter corporate deposits- unsecured considered doubtful	125	125	125
Provision for Intercorporate deposits	(125)	(125)	(125)
Others	1	1	3
	3	**4**	**7**
Current			
Employee related loans and advances	25	31	21
	25	**31**	**21**

8 Trade Receivables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Unsecured - considered good	12,026	13,234	11,181
- considered doubtful	6	6	7
Provision for doubtful debts	(6)	(6)	(7)
	12,026	**13,234**	**11,181**

8.1 The credit period generally allowed on domestic sales varies from 30 to 45 days (excluding transit period). The credit period on export sales varies on case to case basis, based on market conditions.

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Age of receivables			
Within the credit period	11,688	12,834	10,967
1-90 days past due	238	384	180
91-180 days past due	69	7	9
More than 180 days past due	31	9	25
	12,026	**13,234**	**11,181**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

9 Other Financial Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Financial assets carried at amortised cost			
Security deposits	113	106	130
Others	128	128	128
Financial assets carried at fair value			
Cross currency interest rate swap contract not qualifying or not designated in hedge accounting relationships	-	-	366
	241	**234**	**624**
Current			
Financial assets carried at amortised cost			
Claims	-	72	69
Interest accrued - secured	1	1	4
- unsecured	20	4	39
Recoverable from related parties	624	274	846
Others - considered good	143	386	512
- considered doubtful	4	-	-
Less: provision for doubtful assets	(4)	-	-
Derivatives designated and effective as hedging instruments carried at fair value			
Foreign currency forward contract designated in hedge accounting relationships	-	72	32
Financial assets carried at fair value			
Foreign currency and commodity forward contract not qualifying or not designated in hedge accounting relationships	163	220	154
Cross currency interest rate swap contract not qualifying or not designated in hedge accounting relationships	-	454	366
	951	**1,483**	**2,022**

10 Inventories

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Inventories (lower of cost and net realisable value)			
Raw materials	13,650	17,295	13,158
Work-in-progress	1,546	1,643	1,232
Finished goods manufactured			
Vehicle	12,330	7,695	8,633
Vehicle spares and components	481	441	389
Traded goods			
Vehicle spares and components	2,629	2,526	1,988
Stores and spares	1,142	994	861
Loose Tools	859	732	570
	32,637	**31,326**	**26,831**
Inventory includes in transit inventory of:			
Raw materials	4,893	6,860	5,186
Stock in trade	64	43	26

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 525,920 million (previous year ₹ 446,734 million)

The cost of inventories recognised as an expense includes ₹ 29 million (previous year ₹ 33 million) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 2.15.

11 Cash and Bank Balances

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Cash and cash equivalents:			
Balances with Banks	134	416	205
Cheques, drafts in hand	6	14	3
Deposits (less than 3 months original maturity period)	85	-	66
Cash in hand	2	2	3
	227	**432**	**277**
Other Bank balances:			
Deposits (more than 3 months but less than 12 months original maturity period)	-	37	-
Long term deposits (more than 12 months original maturity period)	-	31	-
Unclaimed dividend accounts	8	7	6
	8	**75**	**6**
	235	**507**	**283**
Cash and cash equivalents as per cash flow statement	**227**	**432**	**277**

12 Other Assets (unsecured and considered good, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Capital advances - considered good*	4,043	5,126	4,713
- considered doubtful	-	-	33
Less : provision for doubtful capital advances	-	-	(33)
Prepaid expenses and leases	3,929	3,390	3,084
Amount paid under protest / dispute	7,950	8,151	8,523
Claims - unsecured considered good	79	83	68
- unsecured considered doubtful	27	27	27
Less : provision for unsecured claims	(27)	(27)	(27)
Others	32	46	59
	16,033	**16,796**	**16,447**

(All amounts in ₹ million, unless otherwise stated)

Current			
Balance with customs, port trust and other government authorities	9,917	11,668	7,557
Claims	1,142	1,161	1,282
Prepaid expenses and leases	433	374	256
Advances to related parties	980	686	939
Others - considered good	2,936	2,722	2,594
- considered doubtful	92	41	41
Less: provisions for doubtful balances	(92)	(41)	(41)
	15,408	**16,611**	**12,628**

* Includes capital advance given to related parties ₹ 622 million (31.03.16: ₹ 904 million; 01.04.15: ₹ 975 million)

13 Equity Share Capital

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Authorised share capital:			
3,744,000,000 equity shares of ₹ 5 each (as at 31.03.16: 3,744,000,000; as at 01.04.15: 3,744,000,000 equity shares of ₹ 5 each)	18,720	18,720	18,720
Issued, subscribed and fully paid up capital comprises:			
302,080,060 equity shares of ₹ 5 each (as at 31.03.16: 302,080,060; as at 01.04.15: 302,080,060 equity shares of ₹ 5 each)	1,510	1,510	1,510
	1,510	**1,510**	**1,510**

13.1 Rights, preference and restriction attached to shares

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

13.2 Reconciliation of number of shares

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Balance as at the beginning of the year	302,080,060	1,510	302,080,060	1,510	302,080,060	1,510
Balance as at the end of the year	302,080,060	1,510	302,080,060	1,510	302,080,060	1,510

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

13.3 Details of shares held by the holding company

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Suzuki Motor Corporation, Japan	169,788,440	849	169,788,440	849	169,788,440	849
	169,788,440	**849**	**169,788,440**	**849**	**169,788,440**	**849**

13.4 Details of shares held by each shareholder holding more than 5% shares

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Suzuki Motor Corporation (the holding company)	169,788,440	56.21	169,788,440	56.21	169,788,440	56.21
Life Insurance Corporation of India	15,242,658	5.05	17,382,016	5.75	17,932,030	5.94

13.5 Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding 31st March 2017)

13,170,000 equity shares of ₹ 5 each have been allotted as fully paid up during Financial Year 2012-13 to Suzuki Motor Corporation pursuant to the Company's scheme of amalgamation with erstwhile Suzuki Powertrain India Limited.

14 Other Equity

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Capital reserve	2	2	2
General reserve	29,309	29,309	24,738
Securities premium reserve	4,241	4,241	4,241
Reserve created on amalgamation	9,153	9,153	9,153
Retained earnings	319,627	257,353	216,115
Reserve for equity instruments through other comprehensive income	6,909	4,545	4,440
Cash flow hedging reserve	-	47	21
	369,241	**304,650**	**258,710**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

14.1 Capital reserves

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	2	2
Movement	-	-
Balance at end of year	**2**	**2**

14.2 General reserve

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	29,309	24,738
Amount transferred to general reserves	-	4,571
Balance at end of year	**29,309**	**29,309**

The general reserve is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit and loss.

14.3 Securities premium reserve

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	4,241	4,241
Movement	-	-
Balance at end of year	**4,241**	**4,241**

14.4 Reserve created on amalgamation

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	9,153	9,153
Movement	-	-
Balance at end of year	**9,153**	**9,153**

This reserve is created on the basis of the scheme of amalgamation of erstwhile Suzuki Powertrain India Limited (SPIL) with the Company as approved by the High Court of Delhi in the year ended 31st March 2013.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

14.5 Retained earnings

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	257,353	216,115
Profit attributable to owners of the Company	75,099	54,961
Other comprehensive income arising from remeasurement of defined benefit obligation attributable to owners of the Company *	(100)	(62)
Amount transferred to general reserves	-	(4,571)
Payment of dividend on equity shares	(10,573)	(7,552)
Related income tax	(2,152)	(1,538)
Balance at end of year	**319,627**	**257,353**

During the year, a dividend of ₹ 35 per share, total dividend ₹ 10,573 million, (previous year : ₹ 25 per share, total dividend ₹ 7,552 million) was paid to equity shareholders.

The Board of Directors recommended a final dividend of ₹ 75 per share (nominal value of ₹ 5 per share) for the financial year 2016-17. This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these financial statements. The total estimated dividend to be paid is ₹ 27,268 million including dividend distribution tax of ₹ 4,612 million.

* net of income tax of ₹ 58 million (previous year 38 million)

14.6 Reserve for equity instruments through other comprehensive income

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	4,545	4,440
Net fair value gain on investment in equity instruments at FVTOCI	2,361	99
Income tax on net fair value gain on investments in equity instruments at FVTOCI	3	6
Balance at end of year	**6,909**	**4,545**

This reserves represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

14.7 Cash flow hedging reserve

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	47	21
Recognised / (released) during the year	(72)	40
Income tax related to above	25	(14)
Balance at end of year	**-**	**47**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedging item.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

15 Non-Controlling Interests

	Year ended 31.03.2017	Year ended 31.03.2016
Balance at beginning of year	144	134
Share of total comprehensive income of the year	10	10
Balance at the end of the year	**154**	**144**

Details of non-wholly owned subsidiary

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interest			Profit (loss) allocated to non-controlling interest		Accumulated non-controlling interest		
		31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	31.03.2017	31.03.2016	01.04.2015
J J Impex (Delhi) Private Limited	India	49.13%	49.13%	49.13%	10	10	154	144	134

Summarised financial information of J J Impex (Delhi) Private Limited (before intragroup eliminations)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non current assets	192	180	172
Current assets	224	241	168
Non current liabilities	(13)	(9)	(11)
Current liabilities	(88)	(118)	(57)
Equity attributable to owners of the Company	161	150	138
Non controlling interest	154	144	134

	Year ended 31.03.2017	Year ended 31.03.2016
Revenue	890	837
Expenses	867	814
Profit (loss) for the year	23	23
Other comprehensive income	(2)	(2)
Total comprehensive income	21	21
Total comprehensive income attributable to owners of the Company	12	12
Profit (loss) attributable to non controlling interest	11	11
Profit (loss) for the year	**23**	**23**
Other comprehensive income attributable to owners of the Company	(1)	(1)
Other comprehensive income attributable to non controlling interest	(1)	(1)
Other comprehensive income for the year	**(2)**	**(2)**
Total comprehensive income attributable to owners of the Company	11	11
Total comprehensive income attributable to non controlling interest	10	10
Total comprehensive income for the year	**21**	**21**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

16 Borrowings

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Unsecured			
Term loans from banks	-	-	869
Term loan from holding company	-	-	579
	-	**-**	**1,448**
Current			
Unsecured			
Loans repayable on demand from banks - cash credit and overdraft	4,836	774	354
	4,836	**774**	**354**

16.1 Summary of borrowing arrangements

1. Loans from banks include:

Loan amounting to ₹ Nil (USD Nil) (as at 31.03.16: ₹ 921 million (USD 13.90 million); as at 01.04.15: ₹ 1,738 million (USD 27.80 million)) taken from Japan Bank of International Cooperation (JBIC) at an interest rate of LIBOR + 0.125%, repayable in 2 half yearly installments (acquired pursuant to a scheme of amalgamation). The entire outstanding amount of ₹ 921 million as at 31.03.2016 (as at 01.04.15: ₹ 869 million) repayable within one year has been transferred to current maturities of long term debts. The repayment of the loan was guaranteed by Suzuki Motor Corporation, Japan (the holding company). The last installment of ₹ 921 million was paid during the year.

Loan amounting to ₹ Nil (as at 31.03.16: ₹ Nil; as at 01.04.15: ₹ 1,906 million) (USD 30 million) taken from banks at an average interest rate of LIBOR + 1.375% and repaid in July 2015.

2. A loan amounting to ₹ Nil (USD Nil) (as at 31.03.2016: ₹ 614 million (USD 9.27 million), as at 01.04.2015: ₹ 1,158 million (USD 18.53 million)) taken from the holding company at an interest rate of LIBOR + 0.48%, repayable in 2 half yearly installments (acquired pursuant to a scheme of amalgamation). The entire outstanding amount of ₹ 614 million as at 31.03.2016 (as at 01.04.2015: ₹ 579 Million) repayable within one year has been transferred to current maturities of long term debts. The last installment of ₹ 614 million was paid during the year.

3. Loan repayable on demand from banks (Cash credit and Overdraft) amounting to ₹ 4,836 million (as at 31.03.16: ₹ 774 million; as at 01.04.15: ₹ 354 million) at an interest rate of 7.25% to 10.50%, repayable within 0-5 days.

16.2 Breach of loan agreement

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

17 Other Financial Liabilities

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Current			
Current maturities of long term debts (Refer to Note 16)	-	1,535	3,354
Payables to capital creditors	8,308	6,203	5,695
Deposits from dealers, contractors and others	3,734	3,384	1,333
Interest accrued	27	228	334
Unclaimed dividend *	8	7	6
Book overdraft	914	584	590
Others	37	37	7
	13,028	**11,978**	**11,319**

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act 2013.

18 Provisions

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Provisions for employee benefits			
Provision for retirement allowance	63	56	53
Other provisions			
Provision for warranty & product recall	156	92	150
	219	**148**	**203**
Current			
Provisions for employee benefits			
Provision for retirement allowance	3	2	1
Provision for compensated absences	2,548	2,106	1,834
Other provisions			
Provision for litigation / disputes	1,734	1,645	2,081
Provision for warranty & product recall	213	241	168
Others	-	-	9
	4,498	**3,994**	**4,093**

Details of other provisions

	Litigation / Dispute		Warranty / Product recall		Others	
	2016-2017	**2015-2016**	**2016-2017**	**2015-2016**	**2016-2017**	**2015-2016**
Balance as at the beginning of the year	1,645	2,081	333	318	-	9
Addition during the year	100	134	687	919	-	-
Utilised during the year	-	-	651	904	-	-
Reversed during the year	11	570	-	-	-	9
Balance as at the end of the year	**1,734**	**1,645**	**369**	**333**	**-**	**-**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Litigation / Dispute			Warranty / Product recall			Others
	31.03.2017	**31.03.2016**	**01.04.2015**	**31.03.2017**	**31.03.2016**	**01.04.2015**	**01.04.2015**
Classified as long term	-	-	-	156	92	150	-
Classified as short term	1,734	1,645	2,081	213	241	168	9
Total	**1,734**	**1,645**	**2,081**	**369**	**333**	**318**	**9**

Provisions for employee benefits

The provision for employee benefits include compensated absences and retirement allowance.

Provision for warranty and product recall

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims will arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Provision for litigation / disputes

In the ordinary course of business, the Company faces claims by various parties. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable (also refer to note 40).

19 Deferred Tax Balances

The following is the analysis of deferred tax assets / (liabilities) presented in the consolidate balance sheet

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deferred tax assets	6,038	6,322	5,589
Deferred tax liabilities	11,096	8,609	6,753
Net deferred tax liabilities	**5,058**	**2,287**	**1,164**

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Adjustments*	Closing Balance
2015-2016					
Deferred tax assets					
Deferred revenue	2,497	347	-	-	2,844
Capital loss carry forwards #	1,936	-	-	-	1,936
Expenses deductible in future years	726	8	38	465	1,237
Provision for litigation / dispute	224	4	-	(39)	189
Provision for doubtful debts / advances	94	(25)	-	-	69
Others	112	47	-	(112)	47
	5,589	**381**	**38**	**314**	**6,322**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Adjustments*	Closing Balance
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	5,355	(1,258)	-	606	4,703
Investment in debt mutual funds	427	1,500	-	-	1,927
Investment in equity instruments	37	-	(6)	-	31
Other non-current asset	618	550	-	417	1,585
Cashflow hedges	11	-	14	-	25
Undistributed profit of joint ventures and associates	305	33	-	-	338
	6,753	**825**	**8**	**1,023**	**8,609**
Net deferred tax liabilities	**1,164**	**444**	**(30)**	**709**	**2,287**
2016-2017					
Deferred tax assets					
Deferred revenue	2,844	(752)	-	-	2,092
Capital loss carry forwards #	1,936	-	-	(164)	1,772
Expenses deductible in future years	1,237	94	58	272	1,661
Provision for litigation / dispute	189	75	-	(8)	256
Provision for doubtful debts / advances	69	19	-	-	88
Others	47	105	-	17	169
	6,322	**(459)**	**58**	**117**	**6,038**
Deferred tax liabilities					
Property, plant and equipment and Intangible assets	4,703	122	-	(42)	4,783
Investment in debt mutual funds	1,927	2,245	-	-	4,172
Investment in equity instruments	31	-	(3)	-	28
Other non-current asset	1,585	(83)	-	223	1,725
Cashflow hedges	25	-	(25)	-	-
Undistributed profit of joint ventures and associates	338	50	-	-	388
	8,609	**2,334**	**(28)**	**181**	**11,096**
Net deferred tax liabilities	**2,287**	**2,793**	**(86)**	**64**	**5,058**

* On account of reclassification to “Deferred Tax Liability” from “Provision for Taxation”

Deferred tax asset on capital loss carry forwards has been recognised as it is probable that future taxable profit will be available on gain on investment in debt mutual funds, against which the tax losses can be utilised.

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

20 Other Liabilities

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current			
Deferred revenue	11,055	8,075	6,249
	11,055	**8,075**	**6,249**
Current			
Advance from customers	9,407	5,057	4,188
Deferred revenue	3,584	2,944	2,652
Statutory dues	5,239	3,548	2,909
Others	48	101	22
	18,278	**11,650**	**9,771**

21 Trade Payables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Total outstanding dues of micro enterprises and small enterprises	832	533	590
Total outstanding dues of creditors other than micro enterprises and small enterprises	82,860	73,556	56,270
	83,692	**74,089**	**56,860**

Note:

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.

22 Current Tax

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Current tax assets			
Taxes paid (Net)	4,910	4,906	4,966
Current tax liabilities			
Income tax payable (Net)	8,036	7,956	7,311

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

23 Revenue From Operations

	Year ended 31.03.2017	Year ended 31.03.2016
Sale of products (including excise duty)		
Vehicles	696,253	583,858
Spare parts / dies and moulds / components	65,308	55,835
	761,561	**639,693**
Other operating revenues		
Income from services	4,247	3,781
Sale of scrap	3,835	3,569
Recovery of service charges	889	776
Liabilities no longer required written back	35	703
Rental income	370	319
Others	2,227	2,214
	11,603	**11,362**
	773,164	**651,055**

24 Other Income

	Year ended 31.03.2017	Year ended 31.03.2016
Interest income on		
Bank deposits	17	7
Income tax refund	-	885
Receivables from dealers	343	545
Advance to vendors	16	3
Others	2	78
	378	**1,518**
Dividend income		
Dividend from equity investments	129	107
	129	**107**
Other gains and losses		
Net gain on sale of investments in associates	99	-
Net gain on sale of investments in debt mutual funds	614	978
Fair valuation gain on investment in debt mutual funds	21,403	12,203
Net foreign exchange gains	273	-
	22,389	**13,181**
	22,896	**14,806**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

25 Material Consumed

25.1 Cost of materials consumed

	Year ended 31.03.2017	Year ended 31.03.2016
Raw material at the beginning of the year	17,295	13,158
Add: Purchase	422,634	358,970
Less: Raw material at the end of the year	13,650	17,295
	426,279	**354,833**

25.2 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31.03.2017	Year ended 31.03.2016
Opening balances		
Work in progress	1,643	1,232
Finished goods manufactured		
Vehicle	7,695	8,633
Vehicle spares and components	441	389
Traded goods		
Vehicle spares and components	2,526	1,988
	12,305	**12,242**
Closing balances		
Work in progress	1,546	1,643
Finished goods manufactured		
Vehicle	12,330	7,695
Vehicle spares and components	481	441
Traded goods		
Vehicle spares and components	2,629	2,526
	16,986	**12,305**
Excise duty on increase / (decrease) of finished goods	888	111
	(3,793)	**48**

26 Employee Benefits Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Salaries and wages	21,028	17,580
Contribution to provident and other funds	974	892
Staff welfare expenses	1,601	1,531
	23,603	**20,003**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

27 Finance Costs

	Year ended 31.03.2017	Year ended 31.03.2016
Interest costs:		
Foreign currency loans	14	26
Buyers' credit	-	41
Cash credit and overdrafts	445	455
Deposits from dealers, contractors and others	434	292
	893	814
Other borrowing costs	1	3
	894	**817**

28 Depreciation and Amortisation Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Depreciation of property, plant and equipment	25,094	27,005
Amortisation of intangible assets	945	1,213
	26,039	**28,218**

29 Other Expenses

	Year ended 31.03.2017	Year ended 31.03.2016
Consumption of stores	2,241	2,140
Power and fuel [net of amount recovered ₹ 673 million (previous year ₹ 737 million)]	5,186	6,941
Rent (refer to note 37)	334	257
Repair and maintenance: plant and machinery	1,711	1,866
Repair and maintenance: building	445	476
Repair and maintenance: others	468	398
Insurance	151	151
Rates, taxes and fees	2,411	1,820
Royalty	38,480	32,443
Tools / machinery spares charged off	3,833	3,445
Exchange variation on foreign currency transactions (net)	-	1,008
Advertisement	8,324	7,265
Sales promotion	5,516	4,582
Warranty and product recall	687	919
Transportation and distribution expenses	5,182	5,432
Net loss on sale / discarding of property, plant and equipment	632	1,354
Corporate social responsibility expenses	896	786
Other miscellaneous expenses*	10,783	9,259
	87,280	**80,542**

* Does not include any item of expenditure with a value of more than 1% of the revenue from operation

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Note on Corporate Social Responsibility
Gross amount required to be spent by the Group during the year ₹ 893 million

Amount spent during the year on:

	Year ended 31.03.2017	Year ended 31.03.2016
(i) Construction / acquisition of any asset		
- in cash	-	-
- yet to be paid in cash	-	-
	-	**-**
(ii) On purpose other than above		
- in cash	896	786
- yet to be paid in cash	-	-
	896	**786**
Total	**896**	**786**

30 Income Taxes

30.1 Income tax recognised in profit or loss

	Year ended 31.03.2017	Year ended 31.03.2016
Current tax		
In respect of the current year	23,369	20,431
	23,369	20,431
Deferred tax	2,793	444
In respect of the current year	2,793	444
Total income tax expense recognised in the current year	**26,162**	**20,875**

The income tax expense for the year can be reconciled to the accounting profit as follows

	Year ended 31.03.2017	Year ended 31.03.2016
Profit before tax	**101,272**	**75,847**
Tax at the Indian Tax Rate of 34.608% (previous year 34.608%)	35,048	26,249
Weighted deduction for research and development expenses	(2,215)	(1,670)
Additional deduction on plant and machinery	(1,505)	(1,211)
Differential tax rate on fair value gain on investment	(4,630)	(2,014)
Differential tax rate on capital gain on sale of investments	(402)	(466)
Effect of expenses that are not deductible in determining taxable profit	311	266
Investment in associates and joint ventures	(598)	(411)
Deferred tax on undistributed profit	50	33
Others	103	99
	26,162	**20,875**

The tax rate used for the FY17 reconciliations above is the corporate tax rate of 34.608% (previous year 34.608%) payable by corporate entities in India on taxable profits under the Indian tax law.

(All amounts in ₹ million, unless otherwise stated)

30.2 Income tax recognised in other comprehensive income

	Year ended 31.03.2017	Year ended 31.03.2016
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Net fair value gain on investment in equity shares at FVTOCI	3	6
Net gain on designated portion of hedging instruments in cash flow hedges	25	(14)
Remeasurement of defined benefit obligation	58	38
Total income tax recognised in other comprehensive income	**86**	**30**
Bifurcation of the income tax recognised in other comprehensive income into :		
Items that will not be reclassified to profit or loss	61	44
Items that may be reclassified to profit or loss	25	(14)
	86	**30**

31 Segment Information

The Group is primarily in the business of manufacturing, purchase and sale of motor vehicles, components and spare parts ("automobiles"). The other activities of the Group comprise facilitation of pre-owned car sales, fleet management car financing and servicing of the car manufactured by the Group. The income from these activities is not material in financial terms but such activities contribute significantly in generating demand for the products of the Group.

The board of directors, which has been identified as being the chief operating decision maker (CODM), evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group as a single unit. Therefore there is no reportable segment for the Group.

31.1 Group wide disclosure

	Domestic	Overseas	Total
Revenue from operations			
2016-17	712,400	60,764	**773,164**
2015-16	599,077	51,978	**651,055**
Non current segment assets			
As at 31.03.2017	149,673	-	**149,673**
As at 31.03.2016	140,491	-	**140,491**
As at 01.04.2015	143,205	-	**143,205**

a) Domestic information includes sales and services rendered to customers located in India.

b) Overseas information includes sales and services rendered to customers located outside India.

c) Non-current segment assets includes property, plant and equipment, capital work in progress, intangible assets and capital advances.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

32 Earnings Per Share

	Year ended 31.03.2017	Year ended 31.03.2016
Basic earnings per share (₹)	248.64	181.98
Diluted earnings per share (₹)	248.64	181.98
Profit attributable to the equity holders of the Group used in calculating basic earning per share and diluted earning per share	75,110	54,972
Weighted average number of equity shares for the purpose of basic earning per share and diluted earning per share (numbers)	302,080,060	302,080,060

33 Employee Benefit Plans

The various benefits provided to employees by the Group are as under:

A. Defined contribution plans

a) Superannuation fund

b) Post employment medical assistance scheme

c) Employers contribution to Employee State Insurance

d) Employers contribution to Employee's Pension Scheme 1995

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

	Year ended 31.03.2017	Year ended 31.03.2016
Employers contribution to Superannuation Fund *	77	69
Employers contribution on Post Employment Medical Assistance Scheme *	10	9
Employers contribution to Employee State Insurance*	14	42
Employers contribution on Employee's Pension Scheme 1995*	266	261

* Included in 'Contribution to provident and other funds

B. Defined benefit plans and other long term benefits

a) Contribution to Gratuity Funds - Employee's Gratuity Fund

b) Leave encashment / compensated absence

c) Retirement allowance

d) Provident fund

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(All amounts in ₹ million, unless otherwise stated)

Interest risk
The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk
The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk
The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.17				
Discount rate(s)	8.65%	7.60%	7.60%	7.60%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	25	25	25	25
As at 31.03.16				
Discount rate(s)	8.80%	8.00%	8.00%	8.00%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	26	26	26	26
As at 01.04.15				
Discount rate(s)	8.75%	8.00%	8.00%	8.00%
Rate of increase in compensation level	NA	7.00%	7.00%	NA
Expected average remaining working lives of employees (years)	22	22	22	22

Components of expenses recognised in the statement of profit or loss in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.17				
Current service cost	485	222	122	12
Past service cost	-	-	-	-
Actuarial Loss / (gain)	-	458	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	163	-	4
Expenses recognised in profit and loss	**485**	**843**	**122**	**16**
Year ended 31.03.16				
Current service cost	415	202	96	10
Past service cost	-	-	-	-
Actuarial Loss / (gain)	-	213	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	-	142	-	5
Expenses recognised in profit and loss	**415**	**557**	**96**	**15**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Components of expenses recognised in the other comprehensive income in respect of:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.17				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	108	4
- experience variance	-	-	151	(12)
- others	-	-	1	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	(93)	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**167**	**(8)**
Year ended 31.03.16				
Actuarial (gains) / losses				
- changes in demographic assumptions	-	-	-	-
- changes in financial assumptions	-	-	-	-
- experience variance	-	-	107	(11)
- others	-	-	2	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	3	-
Remeasurement (or actuarial) (gain) / loss arising because of change in effect of asset ceiling	-	-	-	-
Component of defined benefit costs recognised in other comprehensive income	**-**	**-**	**112**	**(11)**

The current service cost and the interest expense for the year are included in the 'Employee benefits expense' in the profit or loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.17				
Present value of obligation	13,938	2,548	2,401	66
Fair value of plan assets	14,247	-	2,405	-
Surplus / (deficit)	**309**	**(2,548)**	**4**	**(66)**
Effects of asset ceilling, if any *	309	-	4	-
Net asset / (liability)	**-**	**(2,548)**	**-**	**(66)**
As at 31.03.16				
Present value of obligation	11,590	2,106	1,991	58
Fair value of plan assets	11,684	-	1,994	-
Surplus / (deficit)	**94**	**2,106**	**3**	**(58)**
Effects of asset ceilling, if any *	94	-	3	-
Net asset / (liability)	**-**	**(2,106)**	**-**	**(58)**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 01.04.15				
Present value of obligation	9,563	1,834	1,734	54
Fair value of plan assets	9,632	-	1,737	-
Surplus / (deficit)	**69**	**(1,834)**	**3**	**(54)**
Effects of asset ceilling, if any *	69	-	3	-
Net asset / (liability)	**-**	**(1,834)**	**-**	**(54)**

* The Company has an obligation to make good the shortfall, if any.

Classification into long term and short term:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
As at 31.03.17				
Classified as long term	-	-	-	63
Classified as short term	-	2,548	-	3
Total	**-**	**2,548**	**-**	**66**
As at 31.03.16				
Classified as long term	-	-	-	56
Classified as short term	-	2,106	-	2
Total	-	**2,106**	-	**58**
As at 01.04.15				
Classified as long term	-	-	-	53
Classified as short term	-	1,834	-	1
Total	**-**	**1,834**	**-**	**54**

Movement in the present value of the defined benefit obligation are as follows:

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.17				
Present value of obligation as at the beginning	**11,590**	**2,106**	**1,991**	**58**
Current service cost	468	222	122	12
Interest expense or cost	1,075	163	159	5
Employees' contribution	1,325	-	-	-
Transfer in	18			
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	62	110	3
- experience variance	-	396	151	(12)
- others	-	-	-	-
Past service cost		-	-	-
Benefits paid	(538)	(401)	(132)	
Present value of obligation as at the end	**13,938**	**2,548**	**2,401**	**66**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Leave Encashment / Compensated Absence	Employees Gratuity Fund	Retirement Allowance
Year ended 31.03.16				
Present value of obligation as at the beginning	**9,563**	**1,834**	**1,734**	**54**
Current service cost	403	201	96	10
Interest expense or cost	870	142	140	5
Employees' contribution	1,137	-	-	-
Remeasurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	2		-
- experience variance	(10)	211	107	(11)
- others	-	-	2	-
Past service cost	-	-	-	-
Benefits paid	(373)	(284)	(88)	-
Present value of obligation as at the end	**11,590**	**2,106**	**1,991**	**58**

Movement in the fair value of the plan assets are as follows:

	Provident Fund	Employees Gratuity Fund
Year ended 31.03.17		
Fair value of plan assets at the beginning	**11,684**	**1,994**
Interest income	1,028	159
Employer's contribution	468	290
Employee's contribution	1,325	-
Transfer in	234	-
Benefits paid	(538)	(132)
Actuarial (Gain)/Loss on Plan Assets	46	94
Fair value of plan assets as at the end	**14,247**	**2,405**
Year ended 31.03.16		
Fair value of plan assets at the beginning	**9,632**	**1,737**
Interest income	870	157
Employer's contribution	403	208
Employee's contribution	1,137	-
Benefits paid	(373)	(88)
Actuarial (Gain)/Loss on Plan Assets	15	(20)
Fair value of plan assets as at the end	**11,684**	**1,994**

Major categories of plan assets (as percentage of total plan assets)

	Provident Fund	Employees Gratuity Fund
As at 31.03.17		
Government of India securities	16%	0%
State Government securities	29%	0%
High quality corporate bonds	49%	0%
Equity shares of listed companies	4%	0%
Fund managed by insurer	0%	94%
Special deposit scheme	2%	0%
Cash & cash equivalents	0%	6%
Total	**100%**	**100%**

(All amounts in ₹ million, unless otherwise stated)

	Provident Fund	Employees Gratuity Fund
As at 31.03.16		
Government of India securities	21%	0%
State Government securities	26%	0%
High quality corporate bonds	49%	0%
Equity shares of listed companies	1%	0%
Fund managed by insurer	0%	92%
Special deposit scheme	3%	0%
Cash & cash equivalents	0%	8%
Total	**100%**	**100%**

	Provident Fund	Employees Gratuity Fund
As at 01.04.15		
Government of India securities	26%	0%
State Government securities	19%	0%
High quality corporate bonds	51%	0%
Equity shares of listed companies	0%	0%
Fund managed by insurer	0%	87%
Special deposit scheme	4%	0%
Cash & cash equivalents	0%	13%
Total	**100%**	**100%**

The fair value of the above ULIP schemes are determined based on the Net Asset Value (NAV). Moreover, for other investments the fair value is taken as per the account statements of the insurance companies.

The average duration of the defined benefit obligation at 31.03.17 is 12 years (as at 31.03.16: 12 years; as at 01.04.15: 12 years).

The group expects to make a contribution of ₹ 160 million (as at 31.03.16: ₹ 125 million; as at 01.04.15: ₹ 150 million) to the defined benefit plans during the next financial year.

Sensitivity analysis

Significant actuarial assumption for the determination of defined obligation are discount rate, expected salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant.

If the discount rate increases (decreases) by 1%, the defined benefit obligation would decrease by ₹ 410 million (increase by ₹ 485 million) (as at 31.03.16: decrease by ₹ 313 million (increase by ₹ 368 million)) (as at 01.04.15: decrease by ₹ 269 million (increase by ₹ 317 million)}.

If the expected salary growth rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 436 million (decrease by ₹ 363 million) (as at 31.03.16: increase by ₹ 315 million (decrease by ₹ 259 million)) (As at 01.04.15: increase by ₹ 270 million (decrease by ₹ 222 million)}.

If the attrition rate increases (decreases) by 50%, the defined benefit obligation would increase by ₹ 20 million (decrease by ₹ 21 million) (as at 31.03.16: increase by ₹ 19 million (decrease by ₹ 20 million)) (as at 01.04.15: increase by ₹ 16 million (decrease by ₹ 17 million)).

If the mortality rate increases (decreases) by 10%, the defined benefit obligation would increase by ₹ 5 million (decrease by ₹ 5 million) (as at 31.03.16: increase by ₹ 4 million (decrease by ₹ 4 million)) (as at 01.04.15: increase by ₹ 4 million (decrease by ₹ 4 million)}.

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(All amounts in ₹ million, unless otherwise stated)

34 Financial instruments and risk managements

34.1 Financial instruments by category

	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments *									
- in equity instruments	-	7,301	-	-	4,939	-	-	4,839	-
- in debt mutual funds	276,198	-	-	195,420	-	-	135,575	-	-
Trade Receivable	-	-	12,026	-	-	13,234	-	-	11,181
Cash and bank balances	-	-	235	-	-	507	-	-	283
Loans	-	-	28	-	-	35	-	-	28
Security deposits	-	-	113	-	-	106	-	-	130
Claims	-	-	-	-	-	72	-	-	69
Foreign currency / commodity forward contracts	163	-	-	674	72	-	886	32	-
Interest accrued	-	-	21	-	-	5	-	-	43
Recoverable from related parties	-	-	624	-	-	274	-	-	846
Others	-	-	271	-	-	514	-	-	640
Total financial assets	**276,361**	**7,301**	**13,318**	**196,094**	**5,011**	**14,747**	**136,461**	**4,871**	**13,220**
Financial liabilities									
Borrowings	-	-	4,836	-	-	774	-	-	1,802
Current maturities of long term debts	-	-	-	-	-	1,535	-	-	3,354
Trade payables	-	-	83,692	-	-	74,089	-	-	56,860
Deposits from dealers, contractors and others	-	-	3,734	-	-	3,384	-	-	1,333
Payable to capital creditors	-	-	8,308	-	-	6,203	-	-	5,695
Interest accrued	-	-	27	-	-	228	-	-	334
Unclaimed dividend	-	-	8	-	-	7	-	-	6
Book overdraft	-	-	914	-	-	584	-	-	590
Others	-	-	37	-	-	37	-	-	7
Total financial liabilities	**-**	**-**	**101,556**	**-**	**-**	**86,841**	**-**	**-**	**69,981**

* Investment value excludes carrying value of equity accounted investment in joint ventures and investment in associates of ₹ 8,007 million (as at 31.03.2016 : ₹ 6,399 million, as at 01.04.2015 : ₹ 5,210 million).

(All amounts in ₹ million, unless otherwise stated)

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31.03.2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	237,111	39,087	-	**276,198**
Foreign currency / commodity forward contracts	9	-	163	-	**163**
Financial instruments at FVTOCI					
Quoted equity instruments	6	6,984	-	-	**6,984**
Unquoted equity instruments	6	-	-	317	**317**
Total financial assets		**244,095**	**39,250**	**317**	**283,662**

As at 31.03.2016	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	153,760	41,660	-	**195,420**
Foreign currency / commodity forward contracts	9	-	674	-	**674**
Financial instruments at FVTOCI					
Quoted equity instruments	6	4,732	-	-	**4,732**
Unquoted equity instruments	6	-	-	207	**207**
Foreign currency / commodity forward contracts	9	-	72	-	**72**
Total financial assets		**158,492**	**42,406**	**207**	**201,105**

As at 01.04.2015	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at FVTPL					
Investments in debt mutual funds	6	88,725	46,850	-	**135,575**
Foreign currency / commodity forward contracts	9	-	886	-	**886**
Financial instruments at FVTOCI					
Quoted equity instruments	6	4,606	-	-	**4,606**
Unquoted equity instruments	6	-	-	233	**233**
Foreign currency / commodity forward contracts	9	-	32	-	**32**
Total financial assets		**93,331**	**47,768**	**233**	**141,332**

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

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(All amounts in ₹ million, unless otherwise stated)

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, ie. Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Derivative contracts: The Group has entered into variety of foreign currency and commodity forward contracts and swaps to manage its exposure to fluctuations in foreign exchange rates and commodity price risk. These financial exposures are managed in accordance with the Group's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Reconciliation of Level 3 fair value measurement

	Unlisted equity instruments
As at 01.04.2015	233
Acquisition	-
Gains/(losses) recognised in profit or loss	
- Comprehensive income	(26)
As at 31.03.2016	**207**
Acquisition	-
Gains/(losses) recognised in profit or loss	
- Comprehensive income	**110**
As at 31.03.2017	**317**

34.2 Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Business commitment and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

The financial risk management of the Company is carried out under the policies approved by the Board of Directors. Within these policies, the Board provides written principles for overall risk management including policies covering specific areas, such as foreign exchange risk management, commodity risk management and investment of funds.

(A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables, loans and advances and derivative instruments. None of the financial instruments of the Group results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

	Notes	**As at 31.03.2017**	As at 31.03.2016	As at 01.04.2015
Loans - non current	7	125	125	125
Trade receivables	8	6	6	7
Other financial assets - current	9	4	-	-

Other than financial assets mentioned above, none of the Group's financial assets are neither impaired nor past due, and there were no indications that defaults in payment obligations would occur.

(B) Liquidity risk

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Group operates with a low Debt Equity ratio. The Group raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk. The Group has access to the borrowing facilities of ₹ 28,450 million as at 31.03.2017 (₹ 29,650 million as at 31.03.2016 and ₹ 28,880 million as at 01.04.2015) to honour any liquidity requirements arising for business needs.
The Group has large investments in debt mutual funds which can be redeemed on a very short notice and hence carries negligible liquidity risk.

(i) Financing arrangements

The Group had access to the following borrowing facilities at the end of the reporting period:

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Floating rate			
- Expiring within one year (bank overdraft and other facilities)	28,450	29,650	28,880
- Expiring beyond one year (bank loans)	-	-	-
	28,450	**29,650**	**28,880**

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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(All amounts in ₹ million, unless otherwise stated)

Contractual maturities of financial liabilities

	Less than 1 year	More than 1 year	Total
As at 31 Mar 2017			
Borrowings	4,836	-	4,836
Trade payables	83,692	-	83,692
Other financial liabilities	13,028	-	13,028
	101,556	**-**	**101,556**

	Less than 1 year	More than 1 year	Total
As at 31 Mar 2016			
Borrowings	774	-	774
Trade payables	74,089	-	74,089
Other financial liabilities	11,978	-	11,978
	86,841	**-**	**86,841**

	Less than 1 year	More than 1 year	Total
As at 1st April 2015			
Borrowings	354	1,448	1,802
Trade payables	56,860	-	56,860
Other financial liabilities	11,319	-	11,319
	68,533	**1,448**	**69,981**

(C) Market risk

(i) Foreign currency risk

The Group has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the foreign currency risk management policy approved by the board of directors. The Group enters into derivative financial instruments to mitigate the foreign currency risk and interest rate risk including,

a) forward foreign exchange and options contracts for foreign currency risk mitigation
b) foreign currency interest rate swaps to mitigate foreign currency & interest rate risk on foreign currency loan.

Foreign currency risk exposure

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in ₹, are as follows:

	JPY	USD	EURO	GBP	SGD
As at 31st March 2017					
Financial assets					
Trade receivables	2,248	2,224	38	-	-
Foreign exchange derivative contracts	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**2,248**	**2,224**	**38**	**-**	**-**
Financial liabilities					
Trade payables and other financial liabilites	18,564	1,392	1,647	8	-
Foreign exchange derivative contracts	(15,092)	-	(783)	-	-
Net exposure to foreign currency risk (liabilities)	**3,472**	**1,392**	**864**	**8**	**-**

(All amounts in ₹ million, unless otherwise stated)

	JPY	USD	EURO	GBP	SGD
As at 31st March 2016					
Financial assets					
Trade receivables	3,454	1,093	106	-	-
Foreign exchange derivative contracts	(3,154)	-	-	-	-
Net exposure to foreign currency risk (assets)	**300**	**1,093**	**106**	**-**	**-**
Financial liabilities					
Borrowings	-	1,535	-	-	-
Trade payables and other financial liabilites	18,389	2,090	2,206	2	2
Foreign exchange derivative contracts	(2,045)	(1,535)	(445)	-	-
Net exposure to foreign currency risk (liabilities)	**16,344**	**2,090**	**1,761**	**2**	**2**

	JPY	USD	EURO	GBP	SGD
As at 1st April 2015					
Financial assets					
Trade receivables	11	1,690	11	-	-
Foreign exchange derivative contracts	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**11**	**1,690**	**11**	**-**	**-**
Financial liabilities					
Borrowings	-	4,802	-	-	-
Trade payables and other financial liabilites	14,777	2,315	1,336	5	-
Foreign exchange derivative contracts	(7,144)	(4,802)	(870)	-	-
Net exposure to foreign currency risk (liabilities)	**7,633**	**2,315**	**466**	**5**	**-**

Foreign currency sensitivity analysis

The Group is mainly exposed to JPY, USD and EURO

The following table details the Company's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

	Year ended 31.03.2017		Year ended 31.03.2016	
	₹ **strengthens by 10%**	₹ **weakening by 10%**	₹ **strengthens by 10%**	₹ **weakening by 10%**
Impact on profit or loss for the year				
JPY impact	1,632	(1,632)	1,494	(1,494)
USD Impact	(83)	83	253	(253)
EURO Impact	161	(161)	213	(213)

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

(ii) Interest rate risk
The Company had External Commercial Borrowing post merger with erstwhile Suzuki Powertrain India Limited in FY13. The interest rate risk had been mitigated through use of floating to floating Cross Currency Interest Rate Swap derivative (LIBOR to MIOIS) taken at the time of inception of the borrowing. Outstanding USD /₹ floating rate cross currency swap as at 31st March 2017 is Nil (as at 31st March 2016 : USD 23.17 million; as at 1st April 2015 : USD 46.33 million).

(iii) Security price risk
Exposure in equity

The Group is exposed to equity price risks arising from equity investments held by the Group and classified in the balance sheet as fair value through OCI.

Equity price sensitivity analysis
The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher / lower:
Other comprehensive income for the year ended 31 March 2017 would increase / decrease by ₹ 365 million (for the year ended 31 March 2016: increase / decrease by ₹ 247 million) as a result of the change in fair value of equity investment measured at FVTOCI

Exposure in mutual funds
The Group manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) decleared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Group is exposed to price risk on such Investments.

Mutual fund price sensitivity analysis
The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the reporting period.

If NAV has been 1% higher / lower:

Profit for year ended 31.03.2017 would increase / decrease by ₹ 2,762 million (for the year ended 31.03.2016 by ₹ 1,954 million) as a result of the changes in fair value of mutual fund investments.

34.3 Capital management
The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group has large investments in debt mutual fund schemes where in underlying portfolio is spread across securities issued by different issuers having different credit ratings. The credit risk of investments in debt mutual fund schemes is managed through investment policies and guidelines requiring adherence to stringent credit control norms based on external credit ratings. The credit quality of the entire portfolio investments is monitored through independent external evaluation of CRISIL Limited on a quarterly basis.

(All amounts in ₹ million, unless otherwise stated)

The following table detail of the debt and equity at the end of the reporting period :

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Debt	4,836	2,309	5,156
Cash and bank balances	(227)	(432)	(277)
Net debt	4,609	1,877	4,879
Total equity	370,751	306,160	260,220
Net debt to equity ratio	0.012	0.006	0.019

34.4 Foreign exchange derivative contracts

The Group follows a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered necessary from time to time. Depending on the future outlook on currencies, the Group may keep the exposures unhedged or hedged only as a part of the total exposure.

The Company does not enter into a foreign exchange derivative transactions for speculative purposes.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts	Avg. Exchange Rate	Foreign Currency	Nominal Amount	Fair value asset / (liabilities)
Cash flow hedges				
Sell JPY (Less than 3 months)				
31.03.2017	-	-	-	-
31.03.2016	0.6065	5,398	3,274	72
01.04.2015	-	-	-	-
Cash flow hedges				
Sell USD (Less than 3 months)				
31.03.2017	-	-	-	-
31.03.2016	-	-	-	-
01.04.2015	63.66	35.8	2,279	32

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(All amounts in ₹ million, unless otherwise stated)

35 Details of Group Companies

35.1 Maruti Suzuki India Limited (The Company) has nine subsidiaries, two joint venture companies and fourteen associate companies (The Group), as given in the following table:

Sl No	Name of Company	Relationship	Country of Incorporation	Percentage of ownership interest		
				As on 31st March 2017	As on 31st March 2016	As on 31st March 2015
1	Maruti Insurance Business Agency Limited	Subsidiary	India	100.00	100.00	100.00
2	Maruti Insurance Distribution Services Limited	Subsidiary	India	100.00	100.00	100.00
3	True Value Solutions Limited	Subsidiary	India	100.00	100.00	100.00
4	Maruti Insurance Agency Network Limited	Subsidiary	India	100.00	100.00	100.00
5	Maruti Insurance Agency Solutions Limited	Subsidiary	India	100.00	100.00	100.00
6	Maruti Insurance Agency Services Limited	Subsidiary	India	100.00	100.00	100.00
7	Maruti Insurance Agency Logistic Limited	Subsidiary	India	100.00	100.00	100.00
8	Maruti Insurance Broker Limited	Subsidiary	India	100.00	100.00	100.00
9	J.J Impex (Delhi) Private Limited	Subsidiary	India	50.87	50.87	50.87
10	Plastic Omnium Auto Inergy Manufacturing India Private Limited	Joint Venture	India	26.00	26.00	26.00
11	Magneti Marelli Powertrain India Private Limited	Joint Venture	India	19.00	19.00	19.00
12	Bharat Seats Limited	Associates	India	14.81	14.81	14.81
13	Jay Bharat Maruti Limited	Associates	India	29.28	29.28	29.28
14	Machino Plastics Limited	Associates	India	15.35	15.35	15.35
15	Caparo Maruti Limited	Associates	India	25.00	25.00	25.00
16	Hanon Climate Systems India Private Limited	Associates	India	39.00	39.00	39.00
17	Krishna Maruti Limited	Associates	India	15.80	15.80	15.80
18	SKH Metals Limited	Associates	India	37.03	38.90	48.71
19	Nippon Thermostat (India) Limited	Associates	India	10.00	10.00	10.00
20	Mark Exhaust Systems Limited	Associates	India	44.37	44.37	44.37
21	Bellsonica Auto Component India Private Limited	Associates	India	30.00	30.00	30.00
22	FMI Automotive Components Private Limited	Associates	India	49.00	49.00	49.00
23	Krishna Ishizaki Auto Limited	Associates	India	-	15.00	15.00
24	Manesar Steel Processing India Private Limited	Associates	India	11.83	11.83	11.83
25	Maruti Insurance Broking Private Limited	Associates	India	46.26	46.26	46.26

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

35.2 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries/Associates/Joint Ventures.

		Net Assets (Total Assets less Total Liability)						Share in Profit & Loss			
		As at 31st March 2017		As at 31st March 2016		As at 1st April 2015		FY 16-17		FY 15-16	
		As a % of Consolidated Net Asset	**Amount**	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Total Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
Parent Company											
1	Maruti Suzuki India Limited	97.52%	361,711	97.56%	298,842	97.64%	254,219	97.76%	75,594	97.59%	53,713
Subsidiaries											
1	Maruti Insurance Business Agency Limited	0.39%	1,448	0.45%	1,381	0.50%	1,304	0.09%	67	0.14%	77
2	Maruti Insurance Distribution Services Limited	0.07%	242	0.07%	229	0.08%	215	0.02%	13	0.03%	14
3	True Value Solutions Limited	0.00%	2	0.00%	2	0.00%	3	0.00%	-	0.00%	(1)
4	Maruti Insurance Agency Network Limited	0.11%	390	0.12%	370	0.13%	348	0.03%	20	0.04%	22
5	Maruti Insurance Agency Solutions Limited	0.08%	286	0.08%	272	0.10%	257	0.02%	14	0.03%	15
6	Maruti Insurance Agency Services Limited	0.02%	70	0.02%	66	0.02%	62	0.01%	4	0.01%	4
7	Maruti Insurance Agency Logistic Limited	0.05%	176	0.05%	169	0.06%	156	0.01%	7	0.02%	13
8	Maruti Insurance Broker Limited	0.00%	2	0.00%	2	0.00%	2	0.00%	-	0.00%	-
9	J.J Impex (Delhi) Private Limited	0.08%	315	0.09%	294	0.10%	272	0.03%	21	0.04%	22
	Adjustments arising out of consolidation	-0.07%	(249)	-0.07%	(240)	-0.09%	(226)	-0.01%	(9)	-0.03%	(14)
Total of Subsidiaries		**0.73%**	**2,682**	**0.81%**	**2,545**	**0.90%**	**2,393**	**0.20%**	**137**	**0.28%**	**152**
Minority Interests in all subsidiaries		0.04%	154	0.04%	144	0.05%	134	0.01%	10	0.02%	10
Joint Ventures											
1	Plastic Omnium Auto Inergy Manufacturing India Private Limited	0.05%	180	0.05%	142	0.05%	121	0.05%	38	0.04%	21
2	Magneti Marelli Powertrain India Private Limited	0.27%	1,017	0.27%	820	0.25%	650	0.25%	197	0.31%	170
Total of Joint Ventures		**0.32%**	**1,197**	**0.32%**	**962**	**0.30%**	**771**	**0.30%**	**235**	**0.35%**	**191**
Adjustments arising out of consolidation		0.00%	-	0.00%	(2)	0.00%	-	0.00%	2	0.00%	(2)
Less: Investment in Joint Ventures		-0.04%	(152)	-0.05%	(152)	-0.06%	(152)	0.00%	-	0.00%	-
Associates											
1	Bharat Seats Limited	0.02%	92	0.03%	79	0.03%	74	0.02%	13	0.01%	5
2	Jay Bharat Maruti Limited	0.24%	892	0.24%	740	0.25%	639	0.20%	152	0.18%	101
3	Machino Plastics Limited	0.03%	97	0.03%	95	0.03%	88	0.00%	2	0.01%	7
4	Caparo Maruti Limited	0.10%	357	0.11%	325	0.13%	338	0.04%	32	-0.02%	(13)
5	Hanon Climate Systems India Private Limited	0.20%	751	0.23%	690	0.25%	639	0.08%	61	0.09%	51
6	Krishna Maruti Limited	0.13%	491	0.12%	363	0.11%	285	0.17%	128	0.14%	78
7	SKH Metals Limited	0.12%	463	0.12%	353	0.06%	156	0.14%	110	0.36%	197
8	Nippon Thermostat (India) Limited	0.00%	4	0.00%	4	0.00%	5	0.00%	-	0.00%	(1)
9	Mark Exhaust Systems Limited	0.07%	256	0.08%	235	0.09%	232	0.03%	21	0.01%	3
10	Bellsonica Auto Component India Private Limited	0.08%	289	0.06%	171	0.09%	238	0.15%	118	-0.12%	(67)
11	FMI Automotive Components Private Limited	0.13%	489	0.14%	424	0.16%	427	0.08%	65	-0.01%	(3)
12	Krishna Ishizaki Auto Limited	0.00%	-	0.04%	119	0.03%	87	0.00%	-	0.06%	32
13	Manesar Steel Processing India Private Limited	0.01%	42	0.01%	41	0.02%	45	0.00%	1	-0.01%	(4)
14	Maruti Insurance Broking Private Limited	0.70%	2,587	0.59%	1,798	0.46%	1,186	1.02%	789	1.11%	612
Total of Associates		**1.83%**	**6,810**	**1.80%**	**5437**	**1.71%**	**4439**	**1.93%**	**1492**	**1.81%**	**998**
Adjustments arising out of consolidation		-0.01%	(27)	-0.01%	(42)	-0.02%	(53)	-0.14%	(104)	0.01%	11
Less: Investment in Associates		-0.29%	(1,082)	-0.36%	(1,092)	-0.41%	(1,092)	0.01%	10	0.00%	-
Deferred Tax Liabilities on Undistributed Profits of associates and joint ventures		-0.10%	(388)	-0.11%	(338)	-0.11%	(305)	-0.07%	(50)	-0.06%	(33)
Total		**100.00%**	**370,905**	**100.00%**	**306,304**	**100.00%**	**260,354**	**100.00%**	**77,326**	**100.00%**	**55,040**

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(All amounts in ₹ million, unless otherwise stated)

35.3 The Profit after tax of Bharat Seats Limited, Jay Bharat Maruti Limited, Machino Plastics Limited, Caparo Maruti Limited, Hanon Climate Systems India Private limited, Krishna Maruti Limited,SKH Metals Limited, Nippon Thermostat (India) Limited, Bellsonica Auto Component India Private limited , FMI Automotive Components Private Limited , Manesar Steel Processing India Private Limited, Magneti Marelli Powertrain India Limited and Plastic omnium Auto Inergy Manufactuiring India Private Limited, have been taken on the basis of unaudited financial statements for financial year ended 31st March 2017. It is unlikely that the audited results would be materially different from unaudited results.

36 Related Party Transactions

36.1 Description of related parties

Holding Company
Suzuki Motor Corporation

Key Management Personnel
Mr R. C. Bharagava
Mr. Kenichi Ayukawa
Mr. K. Ayabe
Mr. K. Saito
Mr. T. Suzuki
Mr. O. Suzuki
Mr. Toshiaki Hasuike
Mr. Shigetoshi Torii
Mr. Amal Ganguli
Mr. Davinder Singh Brar
Mr. Rajinder Pal Singh
Ms. Pallavi Shroff
Mr. Ajay Seth
Mr. S. Ravi Aiyar

Joint Ventures
Magneti Marelli Powertrain India Private Limited
Plastic Omnium Auto Inergy Manufacturing India Private Limited (Formerly known as Inergy Automotive Systems Manufacturing India Private Limited)

Associates
Bharat Seats Limited
Caparo Maruti Limited
Jay Bharat Maruti Limited
Krishna Maruti Limited
Machino Plastics Limited
SKH Metals Limited
Nippon Thermostat (India) Limited
Bellsonica Auto Component India Private Limited
Mark Exhaust Systems Limited
FMI Automotive Components Private Limited
Krishna Ishizaki Auto Limited
Maruti Insurance Broking Private Limited
Manesar Steel Processing India Private Limited
Hanon Climate Systems India Private Limited
(Formerly Halla Visteon Climate Systems India Private Limited)

Fellow Subsidiaries (only with whom the Company had transactions during the current year)
Suzuki Myanmar Motor Co. Limited
Cambodia Suzuki Motor Co. Limited
Magyar Suzuki Coproration
Pak Suzuki Motor Co. Limited
PT Suzuki IndoMobil Motor
(Formerly PT IndoMobil Suzuki International)
Suzuki (Myanmar) Motor Co. Limited
Suzuki Assemblers Malaysia Sdn Bhd
Suzuki Australia Pty Limited
Suzuki Austria Automobile Handels GmbH
Suzuki Auto South Africa(Pty) Limited
Suzuki France S.A.S.
Suzuki Gb Plc
Suzuki International Europe GmbH
Suzuki Italia Spa
Suzuki Malaysia Automobile Sdn Bhd
Suzuki Motor (Thailand) Co. Limited
Suzuki Motor de Mexico, SA de CV
Suzuki Motor Gujarat Private Limited
Suzuki Motor Iberica S.A.U.
Suzuki Motor Sp Z.O.O.
(Formerly Suzuki Motor Poland Limited)
Suzuki Motorcycle India Limited
Suzuki New Zealand Limited
Suzuki Philippines Inc.
Taiwan Suzuki Automobile Corporation
Thai Suzuki Motor Co. Limited

(All amounts in ₹ million, unless otherwise stated)

36.2 Transaction with related parties

	For the year ended 31.03.2017	For the year ended 31.03.2016
Sale of goods to:		
- Holding Company, Suzuki Motor Corporation	25,660	6,558
- Associates	5,500	5,520
- Fellow Subsidiaries		
- Suzuki Motorcycle India Limited	6,691	6,077
- Others	7,863	9,062
	45,714	**27,217**
Sale of property, plant & equipment to:		
- Fellow Subsidiaries		
- Suzuki Motor Gujarat Private Limited	120	2,019
- Suzuki Motorcycle India Limited	235	-
	355	**2,019**
Purchase of goods from:		
- Holding Company, Suzuki Motor Corporation	15,116	11,673
- Associates		
- Jay Bharat Maruti Limited	12,456	10,768
- Krishna Maruti Limited	13,230	10,745
- Others	39,452	49,367
- Joint Ventures	7,448	6,776
- Fellow Subsidiaries	9,490	1,458
	97,192	**90,787**
Purchase of property, plant & equipment and intangible assets from:		
- Holding Company, Suzuki Motor Corporation	3,036	2,478
- Associates		
- Jay Bharat Maruti Limited	1,192	485
- Others	1,372	1,963
- Joint Ventures	156	276
- Fellow Subsidiaries	65	1
	5,821	**5,203**
Finance income / commission / dividend from:		
- Associates		
- Jay Bharat Maruti Limited	13	156
- Joint Ventures	-	23
	13	**179**
Other operating revenue / other income from:		
- Holding Company, Suzuki Motor Corporation	660	584
- Associates	67	62
- Joint Ventures	6	5
- Fellow Subsidiaries	81	110
	814	**761**

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(All amounts in ₹ million, unless otherwise stated)

	For the year ended 31.03.2017	For the year ended 31.03.2016
Recovery of expenses from:		
- Holding Company, Suzuki Motor Corporation	90	27
- Associates		
- Bellsonica Auto Component India Private Limited	189	242
- Jay Bharat Maruti Limited	104	129
- Others	233	260
- Joint Ventures	129	74
- Fellow Subsidiaries		
-Suzuki Motor Gujarat Private Limited	290	-
- Others	42	47
	1,077	**779**
Services received from:		
- Holding Company, Suzuki Motor Corporation	385	883
- Associates	1	-
	386	**883**
Dividend paid to:		
- Holding Company, Suzuki Motor Corporation	5,943	4,245
	5,943	**4,245**
Royalty expenses:		
- Holding Company, Suzuki Motor Corporation	38,480	32,443
	38,480	**32,443**
Other expenses:		
- Holding Company, Suzuki Motor Corporation	440	155
- Associates	41	214
- Fellow Subsidiaries		
-Suzuki Auto South Africa(Pty) Limited	82	65
- Others	70	98
	633	**532**

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Trade Receivables:			
- Holding Company, Suzuki Motor Corporation	2,309	3,718	283
- Associates	55	22	23
- Fellow Subsidiaries			
- Suzuki Motorcycle India Limited	724	582	1,045
- Suzuki Motor Gujarat Private Limited	426	-	12
- Others	549	327	320
	4,063	**4,649**	**1,683**
Other current assets:			
- Holding Company, Suzuki Motor Corporation	127	117	53
- Associates			
-Jay Bharat Maruti Limited	189	104	203
- Others	318	458	677
- Fellow Subsidiaries			
-Suzuki Motor Gujarat Private Limited	326	-	-
-Others	1	1	1
- Joint Ventures	19	6	5
	980	**686**	**939**

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(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Other financial assets:			
- Holding Company, Suzuki Motor Corporation	-	-	5
- Associates			
- Caparo Maruti Limited	37	27	-
- Jay Bharat Maruti Limited	53	-	133
- Mark Exhaust Systems Limited	33	40	98
- SKH Metals Limited	76	106	320
- Others	74	51	256
- Joint Ventures	3	4	4
- Fellow Subsidiaries			
- Suzuki Motor Gujarat Private Limited	348	-	-
- Others	-	46	30
	624	**274**	**846**
Other non current assets:			
- Holding Company, Suzuki Motor Corporation	429	334	306
- Associates			
- SKH Metals Limited	152	173	122
- Others	38	396	547
- Fellow Subsidiaries	3	1	-
	622	**904**	**975**
Goods in transit:			
- Holding Company, Suzuki Motor Corporation	3,634	2,446	1,632
- Fellow Subsidiaries	418	85	117
	4,052	**2,531**	**1,749**
Borrowings:			
- Holding Company, Suzuki Motor Corporation	-	614	1,159
	-	**614**	**1,159**
Trade payable:			
- Holding Company, Suzuki Motor Corporation	19,165	17,787	14,646
- Associates	10,723	11,146	6,350
- Joint Ventures	572	692	488
- Fellow Subsidiaries	1,852	349	134
	32,312	**29,974**	**21,618**
Other financial liabilities			
- Holding Company, Suzuki Motor Corporation	1,063	1,454	11
- Associates			
-Jay Bharat Maruti Limited	303	19	169
- FMI Automotive Components Private Limited	101	46	-
- Others	274	236	37
- Joint Ventures	17	-	-
- Fellow Subsidiaries	54	-	-
	1,812	**1,755**	**217**

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(All amounts in ₹ million, unless otherwise stated)

36.3 Key management personnel compensation

	Year ended 31.03.2017	Year ended 31.03.2016
Short-term benefits	161	181
Post-employment benefits	5	8
Other long-term benefits	1	1
Total Compensation	**167**	**190**
Mr. Kenichi Ayukawa	42	40
Mr. Ajay Seth	22	19
Mr. S. Ravi Aiyar	20	17
Mr. Toshiaki Hasuike	24	34
Mr. Shigetoshi Torii	31	29
Others	28	51
Total Compensation	**167**	**190**

*Refer to note 33 for employee benefit plans.

37 Operating Lease Arrangements

The Group as a Lessee

Leasing arrangements

The Group has entered into operating lease arrangements for various lands. These arrangements are non-cancellable in nature and range between fifteen to ninty nine years. Lease rental expense is set out in note 29 as 'Rent' in 'Other expenses'. The future minimum lease commitments under non-cancellable operating leases are as under:

Non-cancellable operating lease commitments

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Within one year	59	56	56
Later than one year but less than five years	250	244	234
Later than five years	432	497	562
	741	**797**	**852**

The Group as a Lessor

Leasing arrangements

The Group has entered into operating lease arrangements for various lands and premises. These arrangements are both cancellable and non-cancellable in nature and range between three to fifteen years. Lease rental income earned by the Company is set out in Note 23 as 'Rental income'. The future minimum lease receivables under non-cancellable operating leases are as under:

Non-cancellable operating lease receivables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Within one year	88	50	-
Later than one year but less than five years	422	393	-
Later than five years	1,234	1,351	-
	1,744	**1,794**	**-**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

38 Commitments Under Letter of Credit

Outstanding commitments under Letters of Credit established by the Group aggregate ₹ 1,348 million (as at 31.03.2016 : ₹ 1,671 million, as at 01.04.2015: ₹ 2,029 million)

39 Capital Commitment

Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for, amounting to ₹ 27,682 million (as at 31.03.2016: ₹ 30,391 million, as at 01.04.2015: ₹ 20,296 million).

40 Contingent Liabilities

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

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) Excise Duty			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	1,585	7,123	2,965
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	11,751	11,099	13,741
(c) Show cause notices on issues yet to be adjudicated	-	7,019	15,670
Total	**13,336**	**25,241**	**32,376**
Amount deposited under protest	1,598	1,561	383
(ii) Service Tax			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals and show cause notices / orders on the same issues for other periods	715	430	385
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	2,602	3,318	4,912
(c) Show cause notices on issues yet to be adjudicated	364	486	183
Total	**3,681**	**4,234**	**5,480**
Amount deposited under protest	52	22	19
(iii) Income Tax			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	11,572	7,778	6,033
(b) Cases pending before Appellate authorities / Dispute Resolution Panel in respect of which the Company has filed appeals	44,692	32,254	21,825
Total	**56,264**	**40,032**	**27,858**
Amount deposited under protest	5,172	5,172	7,140
(iv) Custom Duty			
(a) Cases pending before Appellate authorities in respect of which the Company has filed appeals	108	108	103
(b) Others	51	43	32
Total	**159**	**151**	**135**
Amount deposited under protest	22	22	22
(v) Sales Tax			
Cases pending before Appellate authorities in respect of which the Company has filed appeals	70	70	56
Amount deposited under protest	20	20	4

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(vi) Claims			
Claims against the Company lodged by various parties	**734**	**329**	**342**
(vii) Group's share in Associate's and Joint Venture's Contingent Liabilities			
Contingent liabilities incurred by the Group arising from its interest in joint venture (a)	263	227	13
Contingent liabilities incurred by the Group arising from its interest in associates (a)	1,267	927	1,360
Group's share of joint ventures' contingent liabilities (b)	66	59	3
Group's share of associates' contingent liabilities (b)	258	302	368

(a) A number of contingent liabilites have arisen as a result of the Group's interest in its joint venture and associates. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Group as an investor is liable. The extent to which an outflow of funds will be required is dependent on the future operations of the joint venture. The Group is not contingently liable for the liabilities of other venturers in the joint ventures.

(b) The amount disclosed represents the Group's share of contingent liabilities of joint ventures and associates. The extent to which an outflow of funds will be required is dependent on the future operations of the associates being more or less favourable than currently expected.

(viii) In earlier years, pursuant to Court orders, the Haryana State Industrial & Infrastructure Development Corporation Limited ("HSIIDC") had raised demands amounting to ₹ 10,317 million towards enhanced compensation to landowners for the Company's freehold land at Manesar, Haryana. Against this, the Company has made a payment of ₹ 3,742 million under protest and capitalised it as part of the cost of land. In previous year, the Punjab & Haryana High Court ("High Court") set aside the above orders and referred the matter back to the District Court, Gurgaon for fresh adjudication. An appeal was preferred by the land owners against the order of the High Court in the Supreme Court. The Supreme Court has set aside the order of the High Court and has remanded the case back to the High Court for fresh adjudication.

(ix) In respect of disputed Local Area Development Tax (LADT) (upto April 15, 2008) / Entry Tax. The amounts under dispute are ₹ 21 million (as at 31.03.2016: ₹ 21 million, as at 01.04.2015: ₹ 21 million) for LADT and ₹ 19 million (as at 31.03.2016: ₹ 19 million, as at 01.04.2015: ₹ 18 million) for Entry Tax. The State Government of Haryana has repealed the LADT effective from April 16, 2008 and introduced the Haryana Tax on Entry of Goods into Local Area Act, 2008 with effect from the same date.

(x) The Competition Commission of India ("CCI") had passed an order dated August 25, 2014 stating that the Company has violated certain sections of the Competition Act, 2002 and has imposed a penalty of ₹ 4,712 million. An interim stay is in operation on the above order of the CCI pursuant to the writ petition filed by the Company before the Delhi High Court.

B) The amounts shown in the item (A) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Group or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

41 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 the entitlement period is ₹ 5,644 million. Till 31st March 2017, the Company has availed of / claimed sales tax benefit amounting to ₹ 2,884 million (till 31.03.2016: ₹ 2,884 million, till 01.04.2015: ₹ 2,626 million)..

42 The Board of Directors, in its meeting held on 27th October, 2015 had approved a Scheme of Amalgamation (the "Scheme") under Sections 391 to 394 of the Companies Act, 1956 ('the 1956 Act') and other applicable provisions of the 1956 Act and the applicable provisions of the Companies Act, 2013, as per pooling of interest method, between the Company and its seven wholly owned subsidiaries which were authorised to engage in the business of acting as insurance intermediaries, by the name of Maruti Insurance Business Agency Limited, Maruti Insurance Distribution Services Limited, Maruti Insurance Agency Network Limited, Maruti

(All amounts in ₹ million, unless otherwise stated)

Insurance Agency Solutions Limited, Maruti Insurance Agency Services Limited, Maruti Insurance Agency Logistics Limited and Maruti Insurance Broker Limited. The amalgamation is not expected to have a material impact. The amalgamation will be effective from 1st April, 2016 being the appointed date and is subject to approval of National Company Law Tribunal (NCLT).

43. The Company en tered into a ‘Contract Manufacturing Agreement’ (CMA) with Suzuki Motor Gujarat Private Limited (SMG), a fellow subsidiary of Suzuki Motor Corporation (SMC) on 17th December, 2015. The terms of the CMA provide for the following:

i. The CMA shall continue for a period of 15 years and automatically extend for a further period of 15 years at the end of the initial period without any further action or documentation on the part of either party, unless terminated by the parties by mutual agreement. After the expiry of an aggregate period of 30 years MSIL and SMG may mutually discuss and agree to extend the period of the CMA..

ii. MSIL will provide SMG with land (on lease) to set up the production facility. The initial lease period of this land is 15 years which will be automatically extended for a further period of 15 years unless terminated by the parties by mutual agreement.

iii. SMG shall, during the term of this agreement, manufacture the products and supply the same on an exclusive basis to MSIL in accordance with other terms and conditions in the CMA. The sales price shall be determined by mutual consent on the basis that SMG does not have any profits or losses at the end of any financial year other than any non-operating income accrued to SMG.

The Company has evaluated this arrangement with respect to the guidance given under Appendix C of Ind AS 17 “Determining Whether an Arrangement Contains a Lease” and has classified this arrangement as an operating lease. The lease charge arising out of this arrangement has been included under the purchase of stock-in-trade.

44 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December 2016

(Amount in ₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	3,854,000	469,273	4,323,273
(+) Permitted receipts	-	11,777,432	11,777,432
(-) Permitted payments	10,500	5,059,669	5,070,169
(-) Amount deposited in Banks	3,843,500	4,322,960	8,166,460
Closing cash in hand as on 30.12.2016	-	2,864,076	2,864,076

45 Auditors' Remuneration *#@

	Year ended 31.03.2017	Year ended 31.03.2016
Statutory audit	18.92	14.85
Taxation matters	4.98	0.16
Other audit services / certification	3.23	2.48
Reimbursement of expenses	0.63	0.44

* excluding Service Tax and Swachh Bharat & Krishi Kalyan Cess

includes ₹ 4.31 million paid to predecessor auditors

@ includes ₹ 1.09 million (previous year ₹ 0.95 million) paid to auditors of subsidiary companies

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

46 First Time Adoption of Ind As

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The effect of the Group's transition to Ind AS is summarised in the following notes:

(i) Transition elections

(ii) Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this statement with as reported in previous years as per previous Indian GAAP

46.1 Transition elections

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group. The Group has applied the following transition exemptions apart from mandatory exceptions in Ind-AS 101 :

1. Deemed cost of property, plant and equipment and other intangible assets
2. Leases
3. Investments in subsidiaries, joint controlled entities and associates in separate financial statements
4. Designation of equity investments at FVTOCI.

Deemed cost of property, plant and equipment and other intangible assets

In accordance with Ind-AS transitional provisions, the Group opted to consider previous GAAP carrying value of property, plant and equipment and other intangible assets as deemed cost on transition date.

Leases

In accordance with Ind-AS transitional provisions, the Group opted to determine whether an arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement.

Investments in subsidiaries, joint controlled entities and associates in separate financial statements

In accordance with Ind-AS transitional provisions, the Group opted to consider previous GAAP carrying value of investments as deemed cost on transition date for investments in subsidiaries, joint ventures and associates in separate financial statement.

Designation of equity investments at FVTOCI

Ind AS 101 allows an entity to designate previously recognised financial instruments basis the facts and circumstances that existed as on transition date. The Group has elected to designate equity investments in Asahi India Glass Limited, Sona Koyo Steering Systems Limited and Denso India Private Limited at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

46.2 Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this statement with as reported in previous years as per previous Indian GAAP

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following table represents the reconciliation from previous GAAP to Ind AS.

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Reconciliation of total equity as at 31st March 2016 and 1st April 2015

	Notes to first time adoption	31st March 2016	1st April 2015
Total equity (shareholder's fund) as per previous GAAP		**277,487**	**243,184**
Adjustments			
Fair valuation of investment in debt mutual funds classified as FVTPL	1	17,243	7,101
Fair valuation of investment in equity instruments classified as FVTOCI	1	4,576	4,477
Deferment of net income from services	2	(8,217)	(7,214)
Proposed dividend and related distribution tax	3	12,725	9,090
Impact in investment in Joint Venture and Associates		(118)	(74)
Deferred tax adjustments	6	2,464	3,656
Total adjustments		**28,673**	**17,036**
Total equity as per Ind AS		**306,160**	**260,220**

Reconciliation of total comprehensive income for the year ended 31st March 2016

	Notes to first time adoption	Year ended 31.03.2016
Profit after tax after share of joint venture and associates as per previous GAAP		**46,998**
Adjustments		
Fair value gain on debt mutual funds	1	10,142
Deferment of net income from services	2	(1,003)
Actuarial gain / loss on defined benefit plans	4	101
Impact in investment in Joint Venture and Associates	7	(44)
Deferred tax adjustments	6	(1,222))
Total adjustments		**7,974**
Profit after tax as per Ind AS		**54,972**
Other comprehensive income		
Actuarial gain / loss on defined benefit plans	4	(101)
Fair value gain on equity instruments	1	99
Gains / losses on cash flow hedges	5	40
Deferred tax adjustments	6	30
Total other comprehensive income		**68**
Total comprehensive income as per Ind AS		**55,040**

Impact of Ind AS adoption on the statements of cash flows for the year ended 31st March 2016

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	84,825	-	84,825
Net cash flow from investing activities	(72,304)	-	(72,304)
Net cash flow from financing activities	(12,366)	-	(12,366)
Net increase / (decrease) in cash and cash equivalents	**155**	**-**	**155**
Cash and cash equivalents as at 1st April 2015	**277**	**-**	**277**
Cash and cash equivalents as at 31st March 2016	**432**	-	**432**

Notes to the Consolidated Financial Statements

(All amounts in ₹ million, unless otherwise stated)

Note 1 : Investment in mutual funds and equity instruments
Under the previous GAAP, investment in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March 2016. For equity instruments designated at FVTOCI resulting fair value gains and losses have been recognised in other comprehensive income.

Note 2 : Deferment of service income
Income from services including the associated selling cost is deferred over the respective years to which they pertain. Such income is recognised on straight line basis over the warranty period and the associated service claim cost is recognised as an when incurred. No provision is recognised for such cost.

Note 3 : Proposed dividend and related distribution tax
Under the previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend and related corporate dividend tax were recognised as a liability. Under Ind AS, such dividends and related corporate dividend tax are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend as at 1st April 2015 and 31st March 2016 included under provisions as per previous GAAP have been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by the amount of proposed dividend and related corporate dividend tax.

Note 4 : Actuarial gain / loss on defined benefit plans
Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. There is no impact on the total equity.

Note 5 : Gains / losses on cash flow hedges
Under Ind AS, effective portion of fair value gains and losses of hedging instruments designated in a cash flow hedge relationship is recognised in other comprehensive income and taken to FVTOCI reserve in equity, whereas under previous GAAP there was no such concept of other comprehensive income and all such gains and losses were directly recognised in cash flow hedge reserves in equity.

Note 6 : Deferred tax adjustments
Deferred tax have been recognised on the adjustments made on transition to Ind AS. Also deferred tax is recognised on brought forward capital losses and cash flow hedge reserve recognised earlier in books on which no deferred tax was created under previous GAAP. The Group also recognised a deferred tax liabilities on Group's share of undistributed profit of joint ventures and associates.

Note 7 : Impact in investment in joint venture and associates
Under previous GAAP, Asahi India Glass Limited, Sona Koyo Steering Systems Limited and Denso India Private Limited were accounted as associates in consolidated accounts. Based on control assessment carried out by the Group under Ind AS 110, investment in these entities have been assessed as equity instrument to be carried at fair valued through other comprehensive income. Share of transitional adjustments from previous GAAP to Ind AS of joint ventures and associates are also included here.

47 The financial statements were approved by the Board of Directors and authorised for issue on 27th April 2017.

KENICHI AYUKAWA	SHIGETOSHI TORII	AJAY SETH	S. RAVI AIYAR
Managing Director & CEO	Director	Chief Financial Officer	Executive Director (Legal) & Company Secretary
DIN : 02262755	DIN : 06437336		ICSI MEMBERSHIP NO : F1734

Place: New Delhi
Date: 27th April 2017

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(All amounts in ₹ million, unless otherwise stated)

PART "A" - Subsdiaries

1	Sl. No.	1	2	3	4	5	6	7	8	9
2	Name of the Subsidiary	J.J. Impex (Delhi) Private Limited	Maruti Insurance Agency Services Limited	Maruti Insurance Agency Logistics Limited	Maruti Insurance Agency Network Limited	Maruti Insurance Agency Solutions Limited	Maruti Insurance Business Agency Limited	Maruti Insurance Broker Limited	Maruti Insurance Distribution Services Limited	True Value Solutions Limited
3	The date since when Subsidiary was acquired	20-Apr-12	17-Jul-06	18-Oct-07	01-Jun-04	01-Jun-04	14-Jan-02	19-Apr-10	14-Jan-02	14-Jan-02
4	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Share Capital (in Millions)	88	2	2	2	2	2	5	2	1
7	Reserves & Surplus (in Millions)	227	68	175	388	285	1,447	(3)	240	2
8	Total Assets (in Millions)	415	70	177	393	289	1,461	2	244	3
9	Total Liabilities (in Millions)	415	70	177	393	289	1,461	2	244	3
10	Investments (in Millions)	-	70	176	392	286	1,374	-	242	-
11	Turnover (in Millions)	890	-	-	-	-	-	-	-	-
12	Profit before taxation (in Millions)	33	5	12	29	21	103	(0)	19	(0)
13	Provision for taxation (in Millions)	10	2	4	10	7	35	-	6	-
14	Profit after taxation (in Millions)	23	3	8	19	14	68	(0)	13	(0)
15	Proposed Dividend	-	-	-	-	-	-	-	-	-
16	% of shareholding	50.87%	100%	100%	100%	100%	100%	100%	100%	100%

Note:

1 No subsidiaries are yet to commence operations.

2 No subsidiaries have been liquidated or sold during the year.

PART "B" - Associates and Joint Ventures

I. Associates

Sl. No.	Name of Associates/Joint Ventures	Hanon Climate Systems India Private Limited	SKH Metals Limited	Jay Bharat Maruti Limited	Caparo Maruti Limited	Machino Plastics Limited	Bharat Seats Limited	Krishna Maruti Limited	Nippon Thermostat (India) Limited	Mark Exhaust Systems Limited	Bellsonica Auto Component India Private Limited	FMI Automotive Components Private Limited	Manesar Steel Processing India Private Limited	Maruti Insurance Broking Private Limited
1	Latest Audited Balance Sheet Date	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-17
2	Date on which the Associate / Joint Venture was associated or acquired	21-Oct-92	07-Nov-86	30-Nov-88	01-Mar-95	15-Mar-89	17-Oct-88	30-Jul-93	20-Jun-95	09-Feb-01	21-Aug-06	01-Nov-07	23-Sep-10	24-Nov-10
3	Shares of Associate/Joint Ventures held by the company on the year end													
	No.	518,700	2,645,000	6,340,000	2,500,000	941,700	4,650,000	670,000	125,000	4,437,465	3,540,000	44,100,000	6,840,000	231,275
	Amount of Investment in Associates/Joint Venture (in Millions)	52	49	16	25	5	5	7	1	57	354	441	68	2
	Extent of Holding %	39.00%	37.03%	29.28%	25.00%	15.35%	14.81%	15.80%	10.00%	44.37%	30.00%	49.00%	11.83%	46.26%

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(All amounts in ₹ million, unless otherwise stated)

4	Description of how there is significant influence	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions
5	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Networth attributable to shareholding as per latest audited Balance sheet (in Millions)	751	463	892	357	97	92	491	4	256	289	489	42	2,587
7	Profit/Loss for the year													
	i. Considered in Consolidation (in Millions)	61	110	152	32	2	13	128	-	21	118	65	1	789
	ii. Not Considered in Consolidation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

II. Joint Ventures

Sl. No.	Name of Associates/Joint Ventures	Plastic Omnium Auto Inergy Manufacturing India Private Limited	Magneti Marelli Powertrain India Private Limited
1	Latest Audited Balance Sheet Date	31-Mar-16	31-Mar-16
2	Date on which the Associate /Joint Venture was associated or acquired	07-May-10	09-Feb-01
3	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	6,656,000	8,550,000
	Amount of Investment in Associates/Joint Venture (in Millions)	67	85
	Extent of Holding %	26.00%	19.00%
4	Description of how there is significant influence	Power to participate in the financial and/or operating policy decisions	Power to participate in the financial and/or operating policy decisions
5	Reason why the associate/joint venture is not consolidated	NA	NA
6	Networth attributable to shareholding as per latest audited Balance sheet (in Millions)		
a)	Share Capital (in Millions)	67	86
b)	Reserves & Surplus (in Millions)	113	931
7	Profit/Loss for the year		
	i. Considered in Consolidation (in Millions)	38	197
	ii. Not Considered in Consolidation	NA	NA

Note:

1 No associates or joint ventures are yet to commence operations.

2 Holding in Krishna Ishizaki Auto Limited has been sold during the year.

3 The Profit after tax of Bharat Seats Limited, Jay Bharat Maruti Limited, Machino Plastics Limited, Caparo Maruti Limited, Hanon Climate Systems India Private limited, Krishna Maruti Limited,SKH Metals Limited, Nippon Thermostat (India) Limited, Bellsonica Auto Component India Private limited , FMI Automotive Components Private Limited , Manesar Steel Processing India Private Limited, Magneti Marelli Powertrain India Limited and Plastic omnium Auto Inergy Manufactuiring India Private Limited, have been taken on the basis of unaudited financial statements for financial year ended 31st March 2017.

Annexure - A

Report on the performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company during the period under report
Maruti Suzuki India Limited has 9 subsidiaries, 2 joint ventures and 13 associates. These 24 companies collectively contributed 2.24% of the total comprehensive income of the Group for the year ended 31st March 2017 and 2.48% of the total net assets of the Group as at 31st March 2017.

Subsidiaries
The subsidiaries contributed 0.21% of the total comprehensive income for the year ended 31st March 2017 and 0.77% of the total net assets of the Group as at 31st March 2017. Brief overview of the companies are given below:

J. J. Impex (Delhi) Private Limited
The Company became a subsidiary of Maruti Suzuki India Limited from the year ended 31st March 2013. The Company was formed to carry on the business of automobile engineers, electrical and mechanical engineers, workshop proprietors and repairers.

True Value Solutions Limited
The Company was incorporated on 14th January 2002. The Company is a 100% subsidiary of Maruti Suzuki India Limited. The Company was formed to act as advisors and consultants to provide value added services of all description to owners and users of motor vehicles.

Other Subsidiaries
The other subsidiaries of the company have been listed below. These companies are 100% subsidiaries of Maruti Suzuki India Limited. The companies mentioned at serial no.1 to 6 below were formed to act as corporate insurance agents in respect of all classes of insurance including motor, marine, fire, accident, burglary, insurance and workmen's compensation indemnity. Maruti Insurance Broker Ltd. was formed to act as insurance intermediary including broker, agent, insurance consultant, surveyor, loss assessor and third party administrator with regard to the insurance business whether it may be general insurance business or life insurance business.

1. Maruti Insurance Business Agency Limited
2. Maruti Insurance Distribution Services Limited
3. Maruti Insurance Agency Solutions Limited
4. Maruti Insurance Agency Network Limited
5. Maruti Insurance Agency Services Limited
6. Maruti Insurance Agency Logistics Limited
7. Maruti Insurance Broker Limited

The Board of Directors of the Maruti Suzuki India Limited at the meeting of the Board held on 27th October 2015, on recommendation of the Audit Committee, approved a Scheme of Amalgamation between Maruti Suzuki India Limited and these subsidiary companies. The process of merger is in progress and the matter is pending before the National Company Law Tribunal.

Joint Ventures and Associates
Joint Ventures and associates contributed 2.03% of the total comprehensive income for the year ended 31st March 2017 and 1.71% of the total net assets of the Group as at 31st March 2017.

Maruti Insurance Broking Private Limited (Associate):
The Company was incorporated in India on 24th November 2010. The Company is engaged in the business of insurance broking with license from the Insurance Regulatory Development Authority to carry on General Insurance Direct Broking Business.

During the year ended 31st March 2017, the Company has contributed 1.02% (previous year 1.11%) of the total comprehensive income of the Group.

Other Companies
The other joint ventures and associates of the company contributed 1.01% of the total comprehensive income for the year ended 31st March 2017. They are engaged in the business of manufacturing automotive components. Below is the list of joint ventures and associates:

1. Plastic Omnium Auto Inergy Manufacturing India Private Limited
2. Magneti Marelli Powertrain India Private Limited
3. Bellsonica Auto Component India Private Limited
4. Machino Plastics Limited
5. Mark Exhaust Systems Limited
6. Manesar Steel Processing (India) Private Limited
7. Bharat Seats Limited
8. Jay Bharat Maruti Limited
9. FMI Automotive Components Private Limited
10. Hanon Climate Systems India Private Limited
11. Caparo Maruti Limited
12. SKH Metals Limited
13. Krishna Maruti Limited
14. Nippon Thermostat (India) Limited

MARUTI SUZUKI

CIN: L34103DL1981PLC011375

Registered Office
1, Nelson Mandela Road, Vasant Kunj,
New Delhi - 110 070
Ph. No.: +91 11 4678 1000
Fax No.: +91 11 4615 0275
www.marutisuzuki.com
investor@maruti.co.in

Registrar and Transfer Agent
Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower - B, Plot 31-32
Gachibowli, Financial District
Nanakramguda, Hyderabad - 500 032
Ph. No.: +91 40 6716 2222
Fax No.: +91 40 2300 1153
Tollfree No.: 1800-345-4001
www.karvycomputershare.com

designed and produced at aicl [info@aicl.in]

Investor Relations
Maruti Suzuki India Limited
www.marutisuzuki.com