

## Corporate Governance Report



The Company has laid down a Code of Conduct for the members of the Board and identified senior management personnel of the Company.

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### CORPORATE GOVERNANCE PHILOSOPHY

Maruti Suzuki (the Company) is fully committed to practicing 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

The Company has a multi-tier management structure, comprising the Board of Directors at the top and followed by Managing Executive Officers, Executive Officers and Divisional Heads. Through this, it is ensured that:





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- 1 Appointed with effect from 19th December 2007
- 2 Appointed with effect from 1st January 2008
- 3 Appointed with effect from 29th January 2008

### Notes:

- a. Foreign companies, bodies corporate, private companies and companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose.
- b. The committees considered for the purpose are those prescribed under Clause 49 (I) (C) of the Listing Agreement.

As stipulated by Clause 49 of the Listing Agreement, none of the

Directors was a member of more than 10 committees or a Chairman of more than 5 committees across all companies in which he/she is a Director.

### BOARD MEETINGS

The Board met six times during the year-24th April 2007, 26th July 2007, 5th September 2007, 29th October 2007, 29th January 2008 and 13th March 2008. The Board meets at least once in a quarter with a gap of not more than four months between any two meetings. However, additional meetings are held whenever necessary. Table 2 gives the attendance record of the Directors at the six Board Meetings as well as the last Annual General Meeting.

### INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information of the Company. Inter-alia, the following information is provided to the Board and the agenda papers for the meetings are circulated in advance of each meeting or are tabled in the course of such meeting:

- Annual operating plans, capital & revenue budgets and updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of meetings of 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 or dangerous occurrences;
- Any materially significant effluent or pollution problems;
- Any materially 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 payments towards goodwill, brand equity or intellectual property;

TABLE 2: Board Meeting attendance record of the Directors in 2007-2008

Name of Director	Number of meetings attended (Total meetings held: 6)	Whether attended last AGM
Mr. R.C. Bhargava	6	Yes
Mr. Jagdish Khattar <sup>1</sup>	4	Yes
Mr. Shinzo Nakanishi	5	Yes
Mr. Hirofumi Nagao	6	Yes
Mr. Shinichi Takeuchi <sup>2</sup>	1	N.A.
Mr. Tsuneo Kobayashi <sup>3</sup>	4	Yes
Mr. Shuji Oishi	6	Yes
Mr. Tsuneo Ohashi <sup>4</sup>	2	N.A.
Mr. Keiichi Asai <sup>5</sup>	2	N.A.
Mr. Osamu Suzuki	3	Yes
Ms. Pallavi Shroff	3	No
Mr. Amal Ganguli	6	Yes
Mr. Manvinder Singh Banga	1*	No
Mr. Davinder Singh Brar	5	Yes
Mr. Masayuki Osada <sup>6</sup>	3	Yes

\* Mr. Banga joined Board Meeting in July 2007 and January 2008 through tele-conference

- 1 Ceased to be Director with effect from 19th December 2007.
- 2 Ceased to be Director with effect from 26th May 2007.
- 3 Ceased to be Director with effect from 2nd December 2007.
- 4 Appointed with effect from 1st January 2008.
- 5 Appointed with effect from 29th January 2008.
- 6 Ceased to be Director with effect from 1st January 2008.

- Significant labour problems and their proposed solutions;
- Any significant development in the human resources and industrial relations fronts;
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement, and
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.

#### REMUNERATION PAID / PAYABLE TO DIRECTORS

Table 3 gives details of the remuneration paid to Directors during 2007-08. The Company did not advance any loans to any of its Directors in the year under review.

TABLE 3: Remuneration paid or payable to Directors during 2007-08

Name of Director	Relation-ship with other Directors	Salary & Perquisites (Rs.)	Performance linked bonus (Rs.)	Sitting fees (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Shinzo Nakanishi*	None	31,59,980	15,00,328	70,000	-	47,30,308
Mr. Jagdish Khattar	None	2,75,14,623	50,10,929	-	-	3,25,25,552
Mr. Tsuneo Kobayashi	None	77,56,583	20,87,159	-	-	98,43,742
Mr. Shinichi Takeuchi	None	14,88,802	7,00,820	-	-	21,89,622
Mr. Hirofumi Nagao*	None	96,75,214	45,00,000	-	-	1,41,75,214
Mr. Shuji Oishi	None	89,25,868	37,77,128	-	-	1,27,02,996
Mr. M. Osada	None	43,41,205	16,94,262	-	-	60,35,467
Mr. Tsuneo Ohashi*	None	22,57,146	969,672	-	-	32,26,818
Mr. Keiichi Asai*	None	16,23,370	671,311	-	-	22,94,681
Mr. R. C. Bhargava	None	-	-	1,00,000	17,60,000	18,60,000
Mr. O. Suzuki	None	-	-	30,000	-	30,000
Mr. Amal Ganguli	None	-	-	1,20,000	15,50,000	16,70,000
Ms. Pallavi Shroff	None	-	-	70,000	7,75,000	8,45,000
Mr. Manvinder Singh Banga	None	-	-	10,000	3,25,000	3,35,000
Mr. Davinder Singh Brar	None	-	-	1,10,000	10,75,000	11,85,000

\* Subject to approval of shareholders in ensuing Annual General Meeting.

The members of the Company had earlier approved payment of commission to non-executive Directors as permitted by the Companies Act, 1956 and in the last Annual General Meeting held on 6th September 2007, approved an increase in the overall limit of commission to Rs. 1 Crore per annum with effect from 1st April 2006. As such, the commission for 2006-07 was also paid during 2007-08 as per following details:

Name of Director	Commission (2006-07) (Rs.)
Mr. R. C. Bhargava	12,60,000
Mr. Amal Ganguli	8,60,000
Ms. Pallavi Shroff	8,00,000
Mr. Manvinder Singh Banga	5,00,000
Mr. Davinder Singh Brar	8,60,000

The performance criteria defined by the Board for the Whole-time Directors including Managing Director is as under:

- a) Actual achievement in terms of growth in sales, profit, etc. as compared to the previous year;

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- b) Actual achievement of growth as compared to the budget approved at the beginning of the year; and
- c) Growth of market share of Company's products as compared to key competitors in the Industry.
- No employee of the Company is related to any Director of the Company.

### Non-Executive Directors' remuneration

Members of the Company at the Annual General Meeting held on 6th September 2007, approved payment of remuneration by way of commission to independent Directors at a sum not exceeding 1% of the net profits of the Company subject to a ceiling of Rs. 100 Lac per annum with effect from 1st April 2006 for a period not exceeding five years. The payment of commission is based on certain criteria such as attendance at the Board/ Board level committee meetings, time devoted, current trends prevailing in the industry etc.

## COMMITTEES OF THE BOARD

### I. Audit Committee

#### Composition

Table 4 shows the composition of the Audit Committee. All the members of the Audit Committee are financially literate and Mr. Amal Ganguli, the Chairman, has expertise in accounting and financial management.

TABLE 4: Composition of Audit Committee

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

The Director responsible for the finance function, the head of internal audit and the representative of the Statutory, Internal and Cost Auditors are permanent invitees to the Audit

Committee. Mr. Anil Rustgi, Company Secretary & Chief Legal Officer acts as the Secretary to the Audit Committee. Other Directors and members of management are also invited from time to time as appropriate.

#### Role

The Role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of Statutory Auditors, fixation of audit fee and also approval for payment for any other services.
3. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of section 217 of the Companies Act, 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
4. Reviewing, with the management, the quarterly/annual financial statements before submission to the Board for approval.
5. Reviewing with the management, performance of Statutory and Internal Auditors, the adequacy of internal control system.
6. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
7. Discussion with Internal Auditors about any significant findings and follow up thereon.
8. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
9. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
10. Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
11. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing.

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.

12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
13. Reviewing any other matter which may be specified as role of the Audit Committee under the amendments, if any, from time to time, to the Listing Agreement, Companies Act and other statutes.

#### Objective

The Committee oversees redressal of shareholder and investor grievances, transfer of shares, non - receipt of balance sheet, non - receipt of declared dividends and related matters. The Committee also oversees the performance of the Registrar and Transfer Agents, 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.

#### Meetings

The Audit Committee met four times in the year under review- on 24<sup>th</sup> April 2007, 25<sup>th</sup> July 2007, 29<sup>th</sup> October 2007 and 29<sup>th</sup> January 2008. Table 5 gives the details of attendance.

TABLE 5: Attendance record of Audit Committee members

Names	Status	Meetings Attended in 2007 - 08 (Total Meetings held: 4)
Mr. Amal Ganguli	Chairman	4
Mr. Shinzo Nakanishi	Member	3
Mr. Davinder Singh Brar	Member	4
Ms. Pallavi Shroff	Member	2

#### II. Shareholders' / Investors' Grievance Committee

##### Composition

Table 6 shows the composition of the Shareholders' / Investors' Grievance Committee of the Company.

In order to provide efficient and timely services to investors, the Board has delegated the power of approval of issue of duplicate / split / consolidation of share certificate, transfer of shares, transmission of shares, dematerialisation / rematerialisation of shares not exceeding 2000 equity shares per transaction to the Managing Director,

TABLE 6: Composition of Shareholders'/Investors' Grievance Committee

Name	Nature	Designation
Mr. R.C. Bhargava*	Non-Executive	Chairman
Mr. Jagdish Khattar**	Executive	Member
Mr. Shinzo Nakanishi	Executive	Member
Mr. Hirofumi Nagao	Executive	Member
Mr. Davinder Singh Brar	Independent	Member

\*Appointed as Chairman with effect from 29<sup>th</sup> October 2007.

\*\* Ceased to be a member with effect from 19<sup>th</sup> December 2007.

The Company Secretary & Chief Legal Officer acts as the Secretary to the Committee and is the Compliance Officer.

Director & Managing Executive Officer and Company Secretary & Chief Legal Officer severally.

#### Meetings

During the year, Shareholders' / Investors' Grievance Committee met twice i.e. on 24<sup>th</sup> April 2007 and 29<sup>th</sup> October 2007. Table 7 gives the attendance record.

TABLE 7: Attendance record of Shareholders' / Investors' Grievance Committee members

Names	Meetings attended in 2007 - 08 (Total Meetings held: 2)
Mr. Shinzo Nakanishi	2
Mr. Jagdish Khattar	2
Mr. Hirofumi Nagao	2
Mr. R. C. Bhargava	2
Mr. Davinder Singh Brar	2

#### Investor Grievance Redressal

During the year, 34 complaints were received and resolved. No transfer of shares was pending as on 31st March 2008.

## MANAGEMENT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Annual Report has a detailed report on Management Discussion and Analysis.

### DISCLOSURES MADE BY THE MANAGEMENT TO THE BOARD

During the year, there were no transactions of material nature with the promoters, the Directors or the management, their subsidiaries or relatives, etc. that had potential conflict with the interest of the Company. All disclosures related to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors do not participate in the discussion nor do they vote on such matters. None of these transactions has a potential conflict with the interests of the Company.

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**RELATED PARTY TRANSACTIONS**

None of the transactions with any of the related parties was in conflict with the interests of the Company. Details of transactions between the Company and its subsidiaries, fellow subsidiaries, joint ventures, associates during 2007-08 are given in Note no. 26 in Schedule 23 to the annual accounts.

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

**CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

The Company has laid down a Code of Conduct for the members of the

Board and identified senior management personnel of the Company.

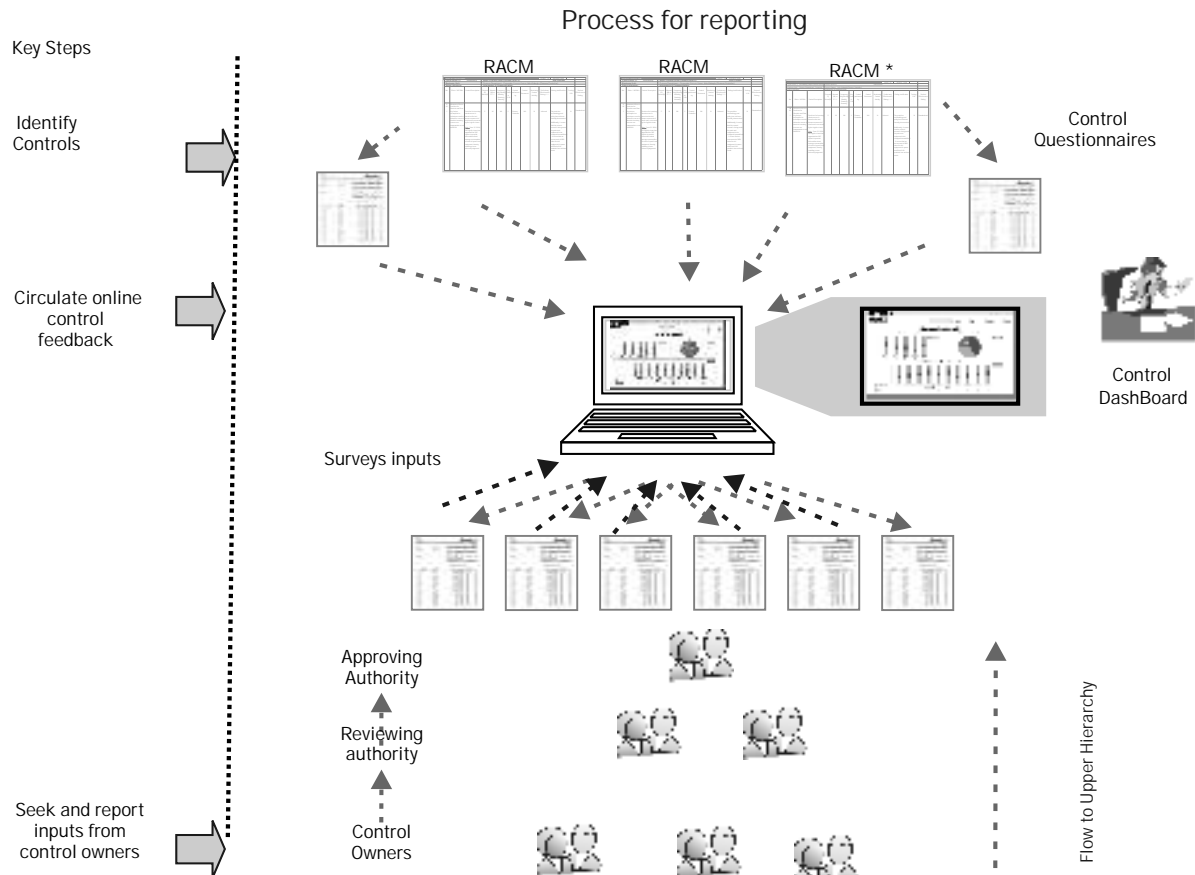
The Code of Conduct has been posted on the Company's website [www.marutisuzuki.com](http://www.marutisuzuki.com)

The Code of Conduct has been circulated to all the members of the Board and senior management personnel and they have affirmed their compliance with the said Code of Conduct for the financial year ended 31<sup>st</sup> March 2008. A declaration to this effect signed by Mr. Shinzo Nakanishi, Managing Director & CEO of the Company forms part of this report as Annexure - A.

**CEO/ CFO CERTIFICATION**

The Company has in place a well defined and transparent control self assessment mechanism to evaluate the effectiveness of internal controls over financial reporting. To facilitate certification by CEO/CFO for the financial year 2007-08, key internal controls over financial reporting were identified and adequately assessed to provide sufficient comfort. To ensure complete transparency and effectiveness of the self assessment, the whole process was carried out through an on line web based tool called "Controls Manager".

**ENABLING CONTROLS SELF ASSESSMENTS THROUGH THE CONTROLS MANAGER**



\* RACM : Risk & Control Matrix

With the successful implementation of the online controls self assessment framework, the Company has become one of the few companies in India to have a transparent framework for evaluating the internal controls over financial reporting, thereby reinforcing the commitment to adopt best corporate governance practices.

As required by clause 49 of the listing agreement, the certificate duly signed by Mr. S. Nakanishi, Managing Director and Mr. Hirofumi Nagao, Director & MEO (Admin) (in charge of finance function) was placed before the Board of Directors at its meeting held on 24<sup>th</sup> April 2008.

#### RISK ASSESSMENT AND MINIMISATION PROCEDURE

The Company has established appropriate risk assessment and minimisation procedures. The process for formulating a defined risk assessment framework encompassed, inter-alia, a methodology for assessing and identifying risks on an ongoing basis, risk prioritising, risk mitigation, monitoring plan and comprehensive reporting on management of enterprise wide risks.

An Executive Risk Management Committee (ERMC) is in place to review the risk management activities of the Company on a regular basis. The composition of the Committee includes the Managing Director and all Whole-time Directors. Risks are evaluated by ERMC. In addition to the Company level risks, ERMC also reviews, from time to time, any new risks that may arise due to market dynamics and changes in the business environment. The Audit Committee and the Board of Directors also review the status of the risk management activities in the Company.

#### LEGAL COMPLIANCE REPORTING

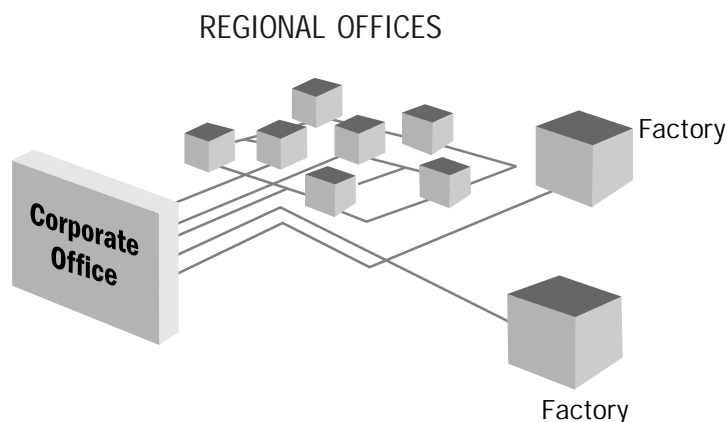
The Board periodically reviews reports of compliance with all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.

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

#### SUBSIDIARY COMPANIES INFORMATION

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

The Audit Committee of the Company reviews the financial statements and investments made by unlisted subsidiary companies. The minutes of unlisted subsidiary companies are placed before the Board.



#### CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company has instituted a comprehensive Code of Conduct for its Board, senior executive, managerial staff and relevant business associates in compliance with the SEBI regulations on prevention of insider trading.

#### DETAILS OF NON COMPLIANCE

No penalties or strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market since the listing of the Company's shares on 9th July 2003.

#### SHAREHOLDERS

##### RE-APPOINTMENT / APPOINTMENT OF DIRECTORS

As per the Articles of Association of the Company and relevant provisions of the Companies Act, 1956, Mr. Manvinder Singh Banga, Mr. Amal Ganguli and Mr. Davinder Singh Brar retire by rotation at the forthcoming Annual General Meeting (AGM) of the Company and being eligible, offer themselves for re appointment.

Following Directors were appointed/re-appointed/designated during the year:

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- Mr. R. C. Bhargava was designated as Chairman with effect from 19<sup>th</sup> December 2007.
- Mr. Shinzo Nakanishi was appointed as Managing Director and CEO with effect from 19<sup>th</sup> December 2007.
- Mr. Tsuneo Ohashi was appointed as Whole-time Director with effect from 1<sup>st</sup> January 2008 and also re-designated as Director & Managing Executive Officer (Production).
- Mr. Hirofumi Nagao was re-appointed as a Whole-time Director with effect from 23<sup>rd</sup> September 2007 and also re-designated as Director & Managing Executive Officer (Administration).
- Mr. Toshiaki Hasuike was appointed as Whole-time Director with effect from 1<sup>st</sup> January 2008. However, due to his promotion at Suzuki Motor Corporation, he could not assume his office.
- Mr. Keiichi Asai was appointed as Whole-time Director with effect from 29<sup>th</sup> January 2008 and also re-designated as Director & Managing Executive Officer (Engineering).

All the above appointment / re-appointments of Whole-time Directors are subject to the approval of the members in the ensuing AGM. Brief resumes of the above Directors recommended for appointment / re-appointments at the AGM are furnished in the explanatory statement of the Notice of the AGM.

## MEANS OF COMMUNICATIONS

Financial Results	Financial results are published quarterly and annually in "The Times of India", "Economic Times" and in Hindi editions of "Navbharat Times".
Monthly Sales	All monthly sales are sent to Stock Exchanges as well as displayed on website www.marutisuzuki.com. As a good corporate governance practice, monthly sales and press releases are sent to the shareholders through their available e-mail ids.
News Releases	All official news releases are sent to Stock Exchanges as well as displayed on the Company's website www.marutisuzuki.com.
Website	The Company's website www.marutisuzuki.com contains a dedicated segment called 'Investors' where all information needed by shareholders is available including ECS Mandate, Nomination Form and Annual Report.
Annual Report	Annual Report is circulated to members and others entitled thereto like Auditors, Equity Analysts, etc.
Corporate Filing and Dissemination System	The Corporate Filing and Dissemination System (Corp filing) is jointly owned, managed and maintained by BSE and NSE. All disclosures and communications to BSE and NSE are filed electronically through this portal. Hard copies of the said disclosures and correspondence are also filed with the Stock Exchanges.
Exclusive e-mail ids for Investors	Following e-mail ids have been exclusively dedicated for the investors queries: msilinvestorrelations@maruti.co.in mailmanager@karvy.com. Queries relating to Annual Report may be sent to msilinvestorrelations@maruti.co.in and queries relating to transfer of shares and splitting/consolidation /demat / remat/ of share certificates may be sent to mailmanager@karvy.com

## COMPANY'S SNAPSHOT

Incorporation	:	24 <sup>th</sup> February 1981
CIN	:	L34103DL1981PLC011375
Equity Structure	:	54.21% is held by Suzuki Motor Corporation, Japan and balance is held by public, etc.
No. of cars sold (2007-08)	:	764,842 including 53,024 exports.
Profit after Tax (2007-08)	:	INR 17,308 million
Employee Strength	:	7,090 (March 2008)

## GENERAL BODY MEETINGS

TABLE 8: Details of the last three AGMs of the Company.

Financial Year	Location	Date	Time
2004 -05	Airforce Auditorium, Subroto Park, New Delhi	9th September 2005	10.00 A. M.
2005 -06	Airforce Auditorium, Subroto Park, New Delhi	5th September 2006	10.00 A. M.
2006 -07	Airforce Auditorium, Subroto Park, New Delhi	6th September 2007	10.00 A. M.

The Company had passed certain special resolutions in the previous three AGM's. No special resolutions were required to be put through postal ballot last year.

## ADDITIONAL SHAREHOLDER INFORMATION

### ANNUAL GENERAL MEETING

Date: 2<sup>nd</sup> September 2008  
 Day: Tuesday  
 Time: 10:00 a.m.  
 Venue: Airforce Auditorium, Subroto Park, New Delhi 110010

### FINANCIAL YEAR

Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March.

For the year ending 31<sup>st</sup> March 2009, results will be announced:

By end of July 2008: First quarter results.

By end of October 2008: Second quarter results.

By end of January 2009: Third quarter results.

By middle of May 2009: Fourth quarter and Annual results.

### BOOK CLOSURE

The period of book closure is from 20<sup>th</sup> August 2008 to 2<sup>nd</sup> September 2008 (both days inclusive).

## LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and The National Stock Exchange of India Limited (NSE). The annual listing fees for the year 2008-09 have been paid to both these Stock Exchanges. Table 9 lists the Company's Stock Exchange codes. The Company has also paid the annual custodial fee for the year 2008-09 to both the depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

## DIVIDEND PAYMENT

A dividend payment of Rs. 5 per equity share will be paid on or after 2<sup>nd</sup> September 2008, subject to the approval of the members in the Annual General Meeting.

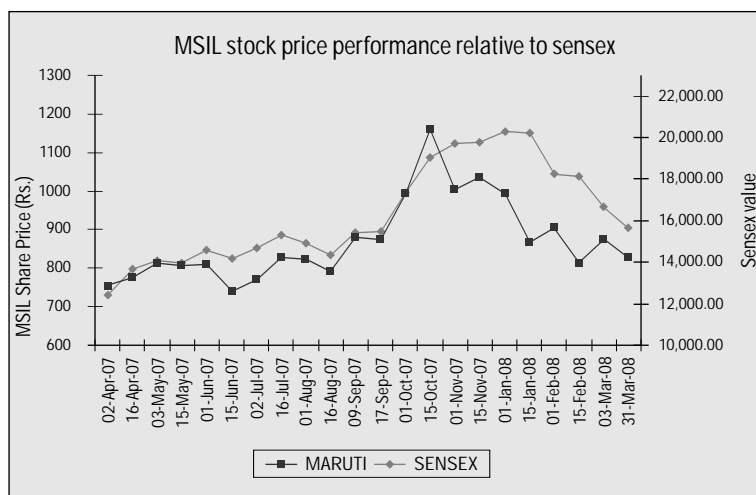
Table 9: Stock Code

Bombay Stock Exchange Limited, Mumbai (BSE)	532500
National Stock Exchange of India Limited (NSE)	MARUTI
ISIN No:	INE585B01010

## STOCK MARKET DATA

Table 10 gives the monthly high and low prices of the Company's equity shares at the BSE and the NSE for the year 2007-08. Chart A plots the movement of Company's share prices with BSE Sensex for the year 2007-08.

Chart A



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

Month	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2007	815.00	738.00	840.00	741.00
May 2007	843.85	780.00	848.70	751.25
June 2007	830.50	713.00	876.00	715.05
July 2007	857.90	742.55	860.00	745.00
August 2007	872.00	720.00	872.90	715.00
September 2007	1026.90	854.00	1028.00	803.55
October 2007	1252.00	900.00	1248.00	960.25
November 2007	1100.00	930.00	1100.00	930.25
December 2007	1099.00	979.00	1098.00	973.45
January 2008	1009.00	700.00	1055.00	700.00
February 2008	924.90	751.00	923.90	750.10
March 2008	945.55	795.05	944.50	790.00

### REGISTRAR AND TRANSFER AGENT

Karvy Computershare Pvt. Limited  
Plot No 17 - 24, Vittalrao Nagar  
Madhapur  
Hyderabad 500 081  
Ph No: 040-23420815 / 818  
Fax No. : 040-23420814  
Mail Id: mailmanager@karvy.com  
Website: www.karvy.com

### SHARE TRANSFER SYSTEM

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

### SHAREHOLDING PATTERN

Table 11 and 12 lists the shareholding pattern and distribution schedule of equity shares of the Company as on 31<sup>st</sup> March 2008.

TABLE 11: Shareholding Pattern as on 31st March 2008

Category	No. of shares held	Shareholding (%)
<b>Promoter's holding</b>		
<b>Promoters</b>		
- Foreign Promoters	15,66,18,440	54.21
<b>Sub-Total (A)</b>	<b>15,66,18,440</b>	<b>54.21</b>
<b>Non-Promoters Holding</b>		
<b>Institutional Investors</b>		
Mutual Funds and UTI	1,88,43,389	6.52
Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-government Institutions)	4,80,08,194	16.62
FII's	4,53,47,942	15.70
<b>Sub-Total (B)</b>	<b>11,21,99,525</b>	<b>38.84</b>
<b>Others</b>		
Private Corporate Bodies	1,11,70,286	3.87
Indian Public (including NSDL & CDSL)	83,18,919	2.88
NRIs / OCBs	3,03,595	0.11
Trust, HUF & Others	2,99,295	0.10
<b>Sub-Total (C)</b>	<b>2,00,92,095</b>	<b>6.95</b>
<b>GRAND TOTAL (A + B + C)</b>	<b>28,89,10,060</b>	<b>100.00</b>

TABLE 12: Distribution Schedule as on 31st March 2008

Shareholding Class	Number of shareholders	%	Number of shares	%
1 to 5000	109473	99.56	7963951	2.76
5,001 to 10,000	76	0.07	560125	0.19
10,001 to 20,000	71	0.06	1025837	0.36
20,001 to 30,000	35	0.03	887062	0.31
30,001 to 40,000	34	0.03	1227656	0.43
40,001 to 50,000	28	0.03	1290837	0.45
50,001 to 1,00,000	84	0.08	6233707	2.16
1,00,001 and above	157	0.14	269720885	93.34
<b>TOTAL</b>	<b>109958</b>	<b>100</b>	<b>288910060</b>	<b>100.00</b>

#### TOP TEN SHAREHOLDERS

List of Top-ten shareholders as on 31<sup>st</sup> March 2008 is as follows;

Name	% of holding
1. Suzuki Motor Corporation	54.21
2. Life Insurance Corporation of India	10.93
3. HSBC Global Investments Funds A/C HSBC Global Investment Funds A/C Mauritius Limited	1.98
4. State Bank of India (equity)	1.70
5. T Rowe Price International INC A/C T Rowe New Asia Fund	1.61
6. LIC of India Market Plus	1.07
7. LIC of India Money Plus	0.97
8. ICICI Prudential Life Insurance Company Limited	0.82
9. Bajaj Allianz Life Insurance Company Limited	0.53
10. HDFC Standard Life Insurance Company Limited	0.50
<b>Total</b>	<b>74.32</b>

#### DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31<sup>st</sup> March 2008, 45.79% of the Company's total paid up equity capital representing 132,284,572 equity shares was held in dematerialised form and the balance 54.21% representing 15,66,25,488 equity shares was held in physical form. The equity shares of the Company are listed under 'specified category' in BSE and are part of Nifty in NSE.

#### SECRETARIAL AUDIT

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the secretarial audit and provides a report to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed

before the Board of Directors. The audit, inter-alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

#### OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has no outstanding GDRs / ADRs / Warrants or any Convertible instruments.

#### DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

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

#### ADOPTION OF NON-MANDATORY REQUIREMENTS

The Chairman's office with required facilities is being maintained by the Company at its expense, for use by its non-executive Chairman.

#### PLANT LOCATION

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

#### ADDRESS FOR CORRESPONDENCE

For transfer /split/dematerialisation/ rematerialisation of shares, payment of dividend on shares and any other query relating to shares of the Company  
For shares held in dematerialised form  
To the investor's Depository Participant(s) and/or  
Karvy Computershare Pvt. Limited  
Plot No 17 24, Vittalrao Nagar  
Madhapur  
Hyderabad 500 081  
Ph No: 040-23420815 818  
Fax No. : 040-23420814  
Mail Id: mailmanager@karvy.com  
Website: www.karvy.com  
For shares held in physical form  
Karvy Computershare Pvt. Limited or  
(at the above given address)  
At the Company's following address:  
Maruti Suzuki India Limited  
11<sup>th</sup> Floor, Jeevan Prakash  
25 K.G.Marg,  
New Delhi-110001  
Phone no- (91)-11-23316831  
Email:msilinvestorrelations@maruti.co.in  
Website: www.marutisuzuki.com

#### SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI):

ICSI is one of the premier professional bodies in India. For better corporate governance, ICSI has issued 6 secretarial standards as on 31<sup>st</sup> March 2008. These Secretarial Standards are recommendatory in nature. The Company observes these Secretarial Standards voluntarily.

DECLARATION OF THE MANAGING DIRECTOR & CEO

This is to certify that the Company has 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](http://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 31<sup>st</sup> March 2008.

Date: 5<sup>th</sup> July 2008

Shinzo Nakanishi

Place: New Delhi

Managing Director & CEO

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Maruti Suzuki India Limited (Formerly Maruti Udyog Limited)

We have examined the compliance of conditions of Corporate Governance by Maruti Suzuki India Limited (formerly Maruti Udyog Limited) for the year ended March 31, 2008, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

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

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

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.

Anupam Dhawan

Partner

Membership No: F 084451

For and on behalf of

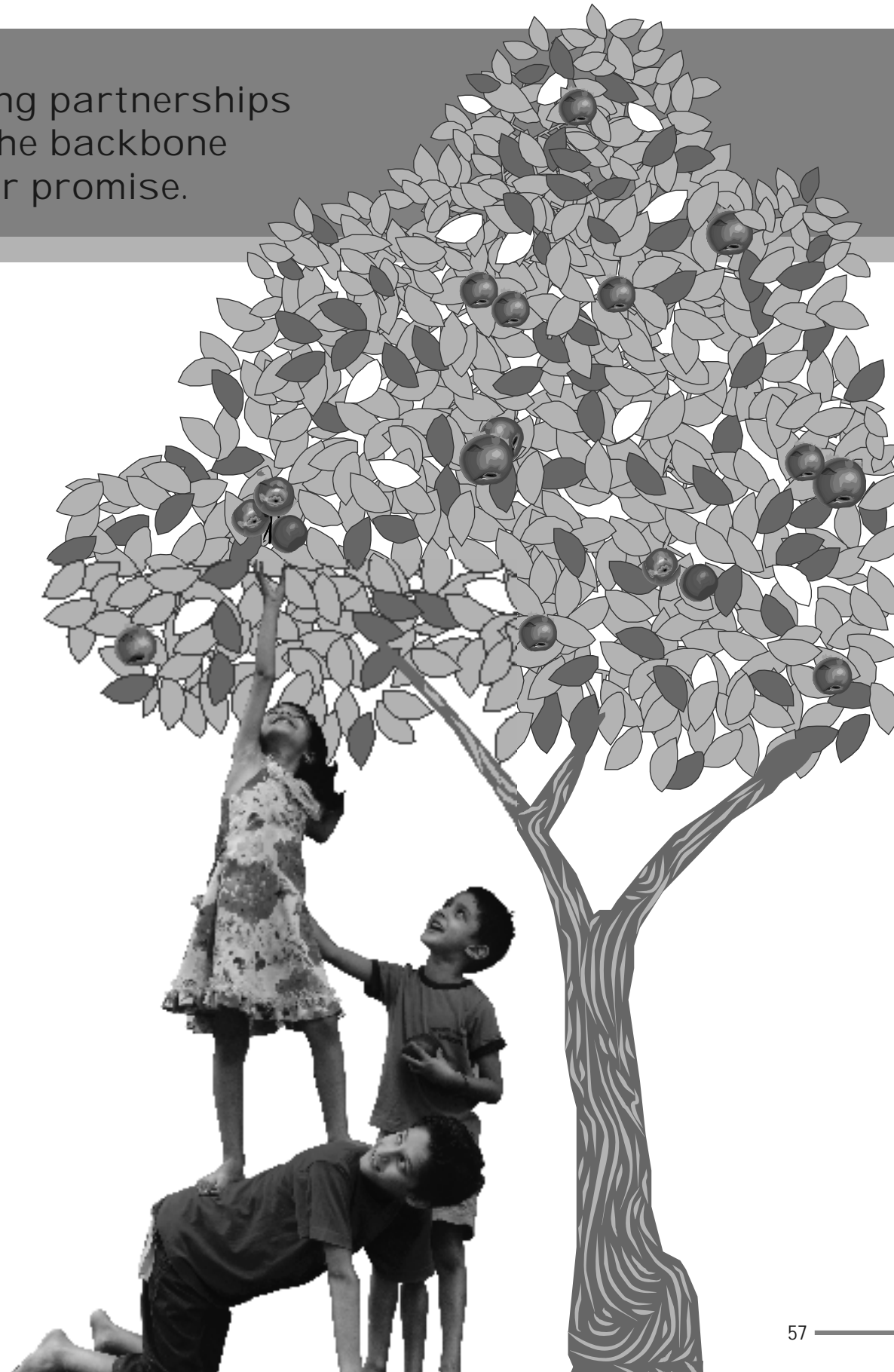
Place: Gurgaon

Price Waterhouse

Date: July 21, 2008

Chartered Accountants

Strong partnerships  
are the backbone  
of our promise.



Our Steer Leaders