

MSIL: CSL: NSE: 10

7th September 2010

Vice President
National Stock Exchange of India Limited
“Exchange Plaza”, Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

Sub: Press Release

Dear Sir,

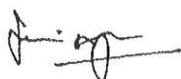
Please find enclosed herewith (as annexure “A”) a copy of press release being issued today.

Kindly take the same on record.

Thanking you,

Yours truly,

For Maruti Suzuki India Limited



S. Ravi Aiyar
Chief General Manager (Legal)
& Company Secretary

Encl: As above

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Press Release

Maruti Suzuki to establish new plant at Manesar

Fresh investment of Rs 1,925 Cr to take annual production capacity to 1.75 million units

NEW DELHI, September 7, 2010: India's leading car maker Maruti Suzuki India Limited (MSIL) today held its 29th Annual General Meeting here today. At the meeting Mr. O Suzuki, Chairman and CEO, Suzuki Motor Corporation, Japan, (majority stakeholder in MSIL), made wide ranging announcements.

Following points are for your reference:

Outline on current production capacity:

- Annual Capacity at Maruti Suzuki Gurgaon is: 850,000 units
- Annual Capacity at Maruti Suzuki Manesar is: 350,000 units
- Total capacity : 12,00,000 units (1.2 million units)
- To keep pace with growth (which has been as high as 27% in this fiscal), Maruti Suzuki needs more capacity

Capacity announcements (subject to Board approval)

- **Maruti Suzuki will establish “Plant C” at Manesar.**
 - Plant C will be constructed concurrently with the Plant B at Manesar.
 - Plant C to have an installed capacity of **250,000 units per annum.**
 - **Plant C is likely to be ready by end of fiscal 2012 / early 2013**
- Plant B (announced earlier in Feb2010) at Manesar, will be ready by **Jan 2012** and will bring an additional capacity of 250,000 units per annum
- Total Capacity:
 - Present facilities : 12,00,000 units per annum
 - Plant B (Manesar) : 2,50,000 units per annum by Jan 2012
 - Plant C (Manesar) : 2,50,000 units per annum likely in fiscal 2012-13

Total Capacity: 17,50,000 units per annum by end of fiscal 2012-13 (including productivity enhancements)

Investment update (subject to Board approval)

- The investment to construct **Plant C at Manesar** is estimated at 35 Billion Japanese Yen (approx Rs. 1,925 crores @ Yen 1= 0.55 Rs). This investment will be funded by internal accruals of Maruti Suzuki.

Medium term investment: Rs 6,000 Crores (or \$ 1.3 billion) during the period 2010-2013.

- a. Rs 1700 Cr (Manesar plant B) announced earlier in March 2010
- b. Rs 2500 Cr (Engine plant & R&D) announced earlier in March 2010
- c. Rs 1925 Cr (Manesar plant C) announced at AGM-2010 (7 Sept 2010)

Other projects to be undertaken in Medium term:

- Commence construction of test course at R&D Centre at Rohtak
- We would also look at constructing Regional Offices at 16 locations.
- SMC and MSIL will have an integrated approach towards these developments.
- The timelines for all these projects will be evolved post board approval.