Operator: Ladies and gentlemen, good day and welcome to Maruti Suzuki India Ltd. Q2 FY27 earnings conference call. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Pranav Ambaprasad. Thank you, and over to you, sir.

Pranav Ambaprasad: Thank you, Yusuf. Ladies and gentlemen, good afternoon once again. Welcome you all to the Q2 FY27 earnings call. May I introduce you to the management team from Maruti Suzuki? Today, we have with us our Chief Investor Relations Officer, Mr. Rahul Bharti, and CFO, Mr. Arnab Roy. Before we begin, may I remind you of the safe harbor? We may be making some forward-looking statements that have to be understood in conjunction with the uncertainty and risks that the company faces. I would also like to inform you that the call is being recorded, and the audio recording and the transcript will be available on our website. Please note that in case of any inadvertent error during this live audio call, the transcript will be provided with the corrected information. The conference call will begin with a brief statement on the performance and outlook of our business by CIRO and Senior Executive Officer, Corporate Affairs, Mr. Rahul Bharti, after which we will be happy to receive your questions. I would now like to invite Mr. Rahul Bharti. Over to you, sir.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Thanks, Pranav. Good evening, ladies and gentlemen, and thank you for joining us today.

Before we go to the financial results, let me first provide a broad perspective of the performance of the passenger vehicle industry in Q2 FY27, followed by our own performance in the second quarter and the festive season so far.

The strong demand environment witnessed following the GST reform continued through the second quarter. PV industry wholesale volumes grew by 29.9% year-on-year during the quarter, compared with growth of 25.5% in the first quarter.

One particularly encouraging development has been the revival of the small car segment since the GST reform. During the second quarter, growth in the industry was stronger for vehicles falling under the 18% GST category than for those in the 40% GST category.

This reinforces something we have consistently believed: affordability is an important driver of car ownership, particularly for first-time buyers. When the cost of acquisition comes down meaningfully, participation improves, and demand responds.

Against this backdrop, the company recorded domestic wholesale volumes of over 5.65 lakh units during the second quarter, representing growth of nearly 37.8% year-on-year.

More importantly, the growth was broad-based, supported by healthy participation from first-time buyers. The company's portfolio in the 18% GST category, comprising small cars, grew by about 35.9% year-on-year. At the same time, our portfolio in the 40% GST category grew by nearly 39.6% year-on-year, supported by recently introduced models, comprising the Victoris and the new

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Brezza. In both categories, the company's growth exceeded that of the industry. As a result, the company's domestic market share increased by 2.2 percentage points year-on-year to 40.8% in the second quarter.

The strength of demand was also clearly visible at the retail level.

The second quarter is typically a period when wholesale dispatches exceed retails, as the network prepares for the festive season. However, this year, retail demand kept pace with the strong wholesale performance, and consequently, network inventory remained low at around 17 days at the end of September, while pending customer orders went up to around 2 lakh units. Demand remained healthy across both urban and upcountry markets.

When we look at the export performance in the second quarter, despite the challenging geopolitical situation, the company achieved sales of 108,119 units in the second quarter, which was almost flat, with a decline of about 2% year-on-year. The decline was largely due to logistics-related disruptions and volatility in shipping schedules in the context of the West Asia conflict.

The company continued to be India's leading passenger vehicle exporter in both the second quarter and the first half of FY27, contributing more than 51% of India's total passenger vehicle exports during the first half of the year. This means that Maruti Suzuki alone exported more cars than all the other 17 car manufacturers in India put together.

If we combine our domestic and export performance, the company achieved its highest-ever quarterly total sales volume of 696,654 units, representing growth of 26.5% year-on-year.

This record performance was supported by the capacity expansion undertaken by the company. During the first half of this year, we added 500,000 units of annual manufacturing capacity. A new line was operationalized at our Kharkhoda greenfield manufacturing facility in Haryana, with an annual production capacity of 250,000 units. In addition, during the second quarter, the company operationalized the fourth line at its Hansalpur facility in Gujarat, adding another 250,000 units of annual capacity. These additions have come at an important time. They are enabling us to better serve the strong demand environment, while also creating additional headroom for future growth. The company is progressively ramping up production from these facilities.

The strong demand momentum has continued into the festive season. We generally consider the festive season to run from the start of the Onam festival through Ganesh Chaturthi and Dussehra, and then conclude in the Diwali season. Retail sales from the beginning of the festive period, that is, from Onam until Dussehra on October 20, grew by around 30% compared with the corresponding period last year. Retail sales from the period between Ganesh Chaturthi and Dussehra grew even faster, at around 35% year-on-year.

What is particularly encouraging is that the order pipeline continued to strengthen, even alongside these high retail volumes. Pending customer orders actually increased despite these retail sales, from around 200,000 units at the end of September to approximately 270,000 units by Dussehra, which was October 20. That gives us the confidence that the underlying demand environment remains robust.

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Alongside delivering strong business performance, the company continued to strengthen its long-term growth drivers through product interventions.

First, the recently introduced new Brezza has received a very encouraging customer response. About 35% of the bookings are for the 1-liter turbo-petrol variant, while another 35% are for the underbody CNG variant. The new Brezza also incorporates several customer-focused enhancements, including ADAS features and a 5-star Bharat NCAP safety rating.

Second, the company also introduced the new Baleno with class-leading features that redefine the premium hatchback segment. These include first-in-segment Level 2 ADAS, first-in-segment ventilated front seats featuring plush leatherette upholstery, a premium sound system by Clarion for an incredible acoustic experience, and the advanced Z12E powertrain. By the Z series, we mean the ultimate in IC engine technology.

Third, in response to customer demand, we have also expanded the availability of Auto Gear Shift technology across some of our popular models, including the Swift, the Dzire, and the Baleno. These interventions are aimed at strengthening the competitiveness of our portfolio, while providing customers with a wider choice of products, technologies, and powertrains.

Before we move to the financials, since investors like some flavor of the business, may I also share some highlights of the company? The company's popular SUV, the Fronx, crossed the milestone of 200,000 exports in under 38 months, making it the fastest SUV from India to achieve this milestone. While the Fronx achieved its first 100,000 exports in under 25 months, the second 100,000 was added in just 13 months. The model is now exported to nearly 90 countries, including Japan. The company's cumulative exports of the made-in-India Jimny 5-Door, the Fronx, and the e Vitara to Japan also surpassed 100,000 units. This milestone is particularly meaningful for us, given that Japan is one of the world's most competitive and advanced automobile markets, with highly discerning consumers.

During the quarter, the company also inaugurated its 6,000th service touchpoint in Kozhikode, Kerala. Our service network now extends across more than 3,000 cities and towns, reflecting our continued focus on bringing reliable after-sales support closer to customers. Together, these milestones reflect some of the most important dimensions in which we continue to strengthen the business: the growing global reach of our made-in-India portfolio, deeper customer access, and stronger lifecycle support for our expanding customer base.

Now we come to our financial performance.

During the quarter, the company registered its highest-ever net sales of over rupees 506 billion, against over rupees 401 billion in the same period of the previous year. Operating profit, or EBIT, in the quarter stood at over rupees 28 billion, as compared to over rupees 33.8 billion in Q2 FY26, owing to commodity increases linked to the West Asia conflict. Although there was a decline year-on-year, sequentially this translates to growth of 10.8% from Q1 FY27 to Q2 FY27.

However, non-operating income declined sharply in Q2, owing to mark-to-market losses on our invested surplus. With this, net profit for the quarter stood at over rupees 24 billion, compared to about rupees 33 billion in the same period of the previous year.

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Since investors typically also look at sequential performance, let me provide that perspective.

There was a clear improvement in operational performance during the second quarter. On a sequential basis, while overall sales volume increased by about 1%, net sales remained broadly flat. Operating EBITDA improved to 9.4% of net sales, compared to 8.6% in Q1 FY27. The favorable factors were higher selling prices of about 80 basis points, cost reduction efforts of about 20 basis points, favorable fixed-cost incidence due to inventory accretion of about 60 basis points, and lower employee cost because of cyclicity of about 30 basis points.

These favorable factors were partially offset by some headwinds: higher commodity prices of about 30 basis points. If you recollect, in Q1 we had changed the commodity price settlement cycle from a quarterly lag basis to a monthly lag basis for some of the commodities because, due to this accelerated recognition, the adverse impact of commodity prices in Q2 was limited. There was an adverse foreign exchange fluctuation of about 40 basis points. Other expenses were higher by about 50 basis points, primarily due to increased manufacturing overheads and marketing expenses associated with product refreshes. At the operating EBIT level, depreciation was higher by around 30 basis points, primarily on account of the commissioning of new manufacturing capacity and new model dies and molds.

So, ladies and gentlemen, stepping back from the detailed numbers, we believe the second quarter reflects continued strengthening of the business. Demand remains healthy across segments. The company has gained good market share. Recently introduced models are contributing to growth. The 500,000 units of annual manufacturing capacity added during the first half are enabling us to better serve this growing demand. The company's export franchise remains strong despite temporary geopolitical and logistics disruptions.

Importantly, operating profitability improved sequentially despite the continuation of external cost pressures. The strong retail performance and further increase in the order book during the festive season give us strong confidence in the underlying demand environment. We, therefore, remain focused on meeting this demand while continuing to strengthen our products, our manufacturing capacity, our global presence, and customer reach to support sustainable long-term growth. Thank you, and now, with that, we are open for your questions, feedback, and observations.

Operator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Raghunandhan NL from Nuvama Research. Please go ahead.

Raghunandhan NL – Nuvama Research: Thank you, sir, for the opportunity. Congratulations on the domestic market share gains. My first question: there has been strong domestic growth in H1 for Maruti. In H2, how much growth do you expect in domestic sales, considering the high base and, on the positive side, the low inventory levels?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: You are right, Raghu. Given the confidence, we think at least 10% growth in H2 should be possible in domestic sales.

Raghunandhan NL – Nuvama Research: Wonderful, sir. 10% is a very strong growth rate, considering the double-digit growth in H1 already. My second question is on a sequential basis: how much is the commodity impact expected to be for Q3? Are you planning any more price increases?

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Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: A good question. As of now, it is a basket, as we all know. Some commodities will give us some benefit, while some commodities may harden. We are slightly concerned about steel and copper, and steel is slightly uncertain. But broadly speaking, commodities are in a similar zone to the current level.

Raghunandhan NL – Nuvama Research: Noted, sir. Just one last question. Can you indicate Q2 discounts, export revenue, retail sales, and dealer inventory?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Export revenue was about Rs. 9,000 crores. Discounts were flat sequentially. The third question I missed?

Raghunandhan NL – Nuvama Research: Retail sales, sir, for Q2.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Retail sales were about 537,000 units.

Raghunandhan NL – Nuvama Research: Got it, sir. Dealer inventory ended at 17 days?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: 17 days, yes. Network inventory, which includes transit.

Raghunandhan NL – Nuvama Research: Thank you very much, sir. Wishing you all the best. I will fall back to the queue.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Thanks, Raghu.

Operator: Thank you. The next question is from the line of Gunjan Prityani from Bank of America. Please go ahead.

Gunjan Prityani – Bank of America: Hi. Thanks for taking my questions. Just a clarification: this 10% number is for Maruti in the second half, not for the industry, correct?

Operator: Sir, we have Ms. Gunjan Prityani waiting for her turn to ask.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Yes, yes, please.

Gunjan Prityani – Bank of America: Thanks for taking my question. I just needed a clarification. This 10% number that you mentioned for the second half is for Maruti and not an industry number, correct?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: For Maruti domestic volumes. Let us keep in mind that exports are almost flat. Therefore, overall growth will be less than 10%, but somewhere between 7% and 10%.

Gunjan Prityani – Bank of America: Okay, got it. The second question I had was broadly on the margin side. I think you did cover that the demand environment has been very strong, despite almost a year having passed since the GST rate cuts. I am trying to understand the pricing action. I think it has been very modest in the context of where the commodity headwinds are and the demand environment. How should we think about the margin trajectory in the near term,

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particularly in the context that the parent does have a 10% operating EBIT guide for the medium term? How do we reconcile the near-term margin performance with the stated medium-term guide of 10%? What is the tolerance in terms of margins continuing to stay at these levels?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Gunjan, we are fortunate that the demand momentum is very strong. Of course, we need to recover our margins. However, there are some commodity headwinds, and we particularly see a risk in steel. Though we believe that whatever increases the steel industry is asking for are unjustified, it is simply opportunism arising from the MIP policy of the government. Of course, we will contest that. But in the next few quarters, we will try to find opportunities for improving our realization and recovering our margins. We just have to keep the commodity component in mind.

Gunjan Prityani – Bank of America: Rahul, just to get this right: the reason that we are not taking price hikes with any urgency is because we see commodities or metals heading down? Or is it that we are somewhat nervous that any significant price hikes could derail the industry recovery? I am trying to understand the thought process behind pricing being very modest even though volume growth has been very strong.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: One element is that we have midterm elections in the US in November, and nobody knows, of course, but there is some possibility that after that, geopolitical tensions may settle down. So, instead of taking a short-term, knee-jerk reaction, we could possibly wait for a quarter and see where commodities stabilize. That is one factor. Of course, the demand environment is very strong. But we also thought that, as a one-time measure, since it is almost a historic increase, let us build on the momentum. We are here for the long term. A few quarters down the line, we can always recover.

Gunjan Prityani – Bank of America: Got it. Just one more follow-up on [cut off]

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: [crosstalk] Ajay, would you like to add?

Ajay: Yes, just to put some numbers to what Rahul just said. If you look at Q1 versus Q2, the EBITDA percentage for Q1 was 8.6%. For Q2, the EBITDA percentage is 9.4%. While you are focusing on one dimension, the list price, we have already taken three tranches of price increases, amounting to a little over 1% in total. Over and above that, there have been several cost-control measures. For example, sales promotion and marketing costs have been moderated, and so on. The resultant effect of that is already visible to the extent of 0.8%, as I already said, in the operating performance. Obviously, we do not give forward-looking guidance, so you will see in H2 how it emerges. But you can already see the effect flowing into operating profit. We will have to keep a close watch on commodities in H2 and see how they move. Of course, calibrated actions on the pricing front will be taken for H2.

Gunjan Prityani – Bank of America: Got it. Just one quick follow-up on exports. We have seen some moderation on the export side. Is it more to do with the geopolitical environment or any market-specific issues, or is it just balancing domestic growth with exports? Some thoughts there would be helpful.

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Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Both. [laughs]

Gunjan Prityani – Bank of America: Sorry...

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Both, to some extent. In addition, there was some changeover in Europe for our e Vitara. There were some regulations in Europe, such as the E-call requirement and the carbon battery passport. So, to some extent, there was a slowdown, along with logistical constraints. Ships are not easily available these days.

Gunjan Prityani – Bank of America: Okay. Got it. Thank you so much. I will join back the queue.

Operator: Thank you. The next question is from the line of Kumar Rakesh from BNP Paribas. Please go ahead.

Kumar Rakesh – BNP Paribas: Hi, good evening, and thank you for taking my question. Just a clarification and continuation of what Gunjan was asking about domestic growth, which you spoke about at around 10%, with exports remaining flat. That implies that for the full year, we are now targeting growth close to the mid-teens, versus about 10% growth earlier. Is that a fair conclusion?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Yes.

Kumar Rakesh – BNP Paribas: Got it.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: That is right.

Kumar Rakesh – BNP Paribas: Perfect. Now, as we move into the December quarter, you spoke about fixed-cost incidence providing a benefit of about 60 basis points in this quarter. Usually, that reverses and becomes a headwind in the December quarter when production is lower than wholesale dispatches. Do we see gross margin coming under pressure going into the December quarter?

Ajay: There will be multiple factors in Q3 that we will have to keep in mind. Of course, we will have to see how commodities move. The good thing is that demand is strong, and, as we said, we still have a backlog of more than 200,000 that we have to cater to.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: 270,000.

Ajay: 270,000. We will have to keep calibrating based on how commodities move, which will have a significant impact on margins. Beyond that, obviously, we are taking cost-control measures to the maximum extent possible. Wherever we can, we are dialing down on all cost-control measures. We will have to see how the resultant effect of all of that translates. There are too many moving pieces to make a prediction at this point.

Kumar Rakesh – BNP Paribas: Got that. Thanks a lot for that. My last question was around exports. Rahul, you spoke about exports being impacted by logistical issues, but in the reasons you did not allude to any underlying end-market demand issues. In the way you gave us some color and flavor around how resilient domestic demand has been, and how that strength is not necessarily showing up in the entire dispatch number, can you give us a sense of the underlying demand in the export market outside of the logistical issues?

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Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: It continues to be healthy.

Kumar Rakesh – BNP Paribas: You may not have an order-book number for the international market, but the numbers you are reporting are not necessarily a reflection of the pull or demand on the ground in these markets. Is that a fair conclusion?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: We have given an outlook that we will certainly do better than last year, but not too much better. This considers all the factors. We have to keep in mind, for example, that Mexico increased its duty from 20% to 50%. Therefore, we always have to take exports with a bit of caution. It is with that caution that we are saying that we hope to be at least equal to last year's numbers. Of course, logistics are posing a challenge. Ships are not easily available.

Kumar Rakesh – BNP Paribas: Got that. Thanks a lot for answering my questions.

Operator: Thank you. The next question is from the line of Chandramouli Muthiah from Goldman Sachs. Please go ahead.

Chandramouli Muthiah – Goldman Sachs: Hi, good evening, and thank you for taking my questions. My first question is on a model-wise basis. When I look at your dispatches for this quarter versus recent quarters, it looks like the S-Presso has been significantly reduced. I think you typically do about 20,000 units a quarter, and there are only a few hundred units this quarter. The Ignis, I think, has been discontinued. You had made a comment earlier that small car demand remains healthy after the [cut off]

Chandramouli Muthiah – Goldman Sachs: ...GST cuts have happened. I just want to understand why you are defocusing on the S-Presso and the Ignis in this context. Also, could you explain this a little more? The e Vitara volumes domestically have been in a similar range sequentially. But you mentioned that there are some regulatory changes in Europe and that e Vitara volumes have therefore reduced significantly. I want to understand that a little better. Is that something that you think continues for a long period of time, or do you think it reverses in the near term?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Okay, let me explain. When demand outstrips supply by such a huge margin, it is important for us to optimize our production and operations to maximize our output. That involves a process of churn and shifting, etc. So, whatever you are talking about, small cars are definitely our focus. It is only a small transition that we are talking about. Regarding the e Vitara, the changeover in both the product and the production line did impact both export and domestic volumes. I think we will resume in a few months. We will increase the numbers in perhaps a couple of months.

Chandramouli Muthiah – Goldman Sachs: Got it, that is helpful. My second question is on exports. You mentioned that you expect a flat export volume outlook in the second half, versus the 10% volume growth you expect in domestic sales in the second half. Year-to-date, over the first two quarters, it looks like you have achieved about 13% year-on-year volume growth in exports. I do not think there is a high-base issue in the export market in the way there is in the domestic market because of GST. I want to understand why you think there will be a deceleration in underlying volume growth for exports in the second half if you have a flat outlook, or a slightly better outlook

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than the previous year's full-year volumes, for the full year.

Rahul Bharti - CIRO & Senior Executive Officer Corporate Affairs: We have to keep in mind that even in the domestic market there is a very strong pull. We were able to increase our market share, but if the market grows faster, it can also mean that we lose market share. Of course, we were able to increase it by 2.2%. We have to balance it overall. Export logistics are a bit of a challenge, but there are also country-wise and product-wise changes that keep happening all the time. This is an aggregate of those factors.

Chandramouli Muthiah - Goldman Sachs: Got it, that is helpful. Just one last question. We moved from a 3-month lag commodity settlement to a 1-month lag commodity settlement last quarter. I want to understand the thought process on whether we need to move back to 3 months in the near term, or whether you think it will take longer, in the context of what is happening to different commodities and their prices.

Rahul Bharti - CIRO & Senior Executive Officer Corporate Affairs: To some extent, we have already done that. Some small part is pending, so we will address it, and that will help us offset the other increases that we see in copper and steel.

Chandramouli Muthiah - Goldman Sachs: Got it, got it. That is helpful. Thank you very much, and all the best.

Operator: Thank you. The next question is from the line of Amyn Pirani from J.P. Morgan. Please go ahead.

Amyn Pirani - J.P. Morgan: Yes, hi. Thanks for the opportunity. Just some clarification on the second-half 10% domestic growth number. Given that your inventory level is still quite low, and at least in the first half, or rather since GST, I think retail sales have been better than wholesale sales, is it fair to say that retail sales themselves, on the very high base of last year, could actually be lower, and that this is basically you having to return to a normalized inventory level? Is that the right way to think about it? Because right now it looks like retail sales could be much lower than 10% from an industry level in the second half on a year-on-year basis.

Rahul Bharti - CIRO & Senior Executive Officer Corporate Affairs: Amyn, I do not know why you have lost confidence. [laughs] We mentioned at the beginning of this year that demand would outstrip supply this year, and we are struggling to meet demand to the maximum extent. Despite very high sales, the order book has increased from 200,000 to 270,000. If you do a simple calculation, if we maintain the current run rate, the absolute monthly production volume, and make it available for sale, then this 10% is automatic; you can derive it automatically.

Amyn Pirani - J.P. Morgan: Yes.

Rahul Bharti - CIRO & Senior Executive Officer Corporate Affairs: The assumption is that the market will continue to be strong, and with the current momentum, we feel it will continue to be strong.

Amyn Pirani - J.P. Morgan: Okay. Fair enough. That is good to know. Secondly, going back to exports, we have seen Chinese competition being a big factor in many global markets. As you now

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export across countries, including developed markets such as Europe and parts of Asia and Latin America, are you seeing significant competition from Chinese companies, rather than from the traditional players? How does that position Indian exporters, because a lot of capacity addition is happening in India, not just from your side but also from other players, for exports? How do you see that competition? What we hear is that pricing competition is very aggressive in these markets because Chinese production is being shipped to these countries. Any context on that would be very helpful.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Globally, what you are saying is absolutely true, and in the medium to long term, there is that strong trend. However, as of now, we are not competing directly with Chinese exports in most markets.

Amyn Pirani – J.P. Morgan: Okay.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Fortunately, it is a staggered segmentation. I am not aware of what capacity you are talking about because our share in India's exports is continuously increasing.

Amyn Pirani – J.P. Morgan: Yes.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: We account for more than 50% of exports. The best part is that if you are able to challenge markets in about 120 countries around the world, the chances are that you will become invincible in your home market.

Amyn Pirani – J.P. Morgan: Mm.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: That gives us a platform in technology, quality, and cost, enabling us to meet any competition in any part of any market.

Management: Just one point to complement from my side. I think you also have to factor in our multidimensionality, which gives us robustness, both in terms of the powertrain and in terms of geography, as Rahul just articulated. One hundred twenty countries and multiple powertrains—that is the multidimensionality of Maruti Suzuki's exports.

Amyn Pirani – J.P. Morgan: Sure, sure. Thanks for that. I will come back in the queue.

Operator: Thank you. The next question is from the line of Rishi Vora from Kotak Securities. Please go ahead.

Rishi Vora – Kotak Securities: Thank you for the opportunity. You did mention that this year's volume growth has been much higher than industry expectations, despite multiple headwinds during the course of the year. I wanted to get a sense of how we should think about passenger vehicle industry growth beyond this year. Earlier, you had guided to around 6% CAGR, but is there a thought process that the industry's growth CAGR could be higher over the medium term than what we are seeing at this point in time?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Very good question. We are also getting into the exercise of assessing medium-term sustained demand that goes beyond just one

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year after GST.

Rishi Vora – Kotak Securities: Yes.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Certainly, because of GST, the affordability equation has structurally changed from the past, and therefore growth rates and CAGR have to be higher in the future compared with what they were before GST. But by around December or January, when we enter our planning cycle, we will have some estimate of medium-term projections and medium-term demand.

Rishi Vora – Kotak Securities: Sure, sir. Secondly, on—

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: It would certainly increase from what our last figure would have been.

Rishi Vora – Kotak Securities: Understood. Secondly, on the CAFE norms, given that the final draft is out, is there any rough or ballpark powertrain mix that you could share with us? How should we think about the mix required to meet the CAFE norms?

Management: [off-mic discussion] {? This is fine, Rahul ?}

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: Fortunately, Maruti Suzuki has that flexibility because we follow a multi-pathway approach. We have all powertrains, barring, of course, polluting diesel. We have that option and flexibility, which also gives us room for year-to-year variation. So we are very comfortably placed. We have all powertrains under consideration because the norms apply for the next 5 years and 5.5 years. We have EVs, strong hybrids, other hybrids that we can consider, and biofuels. We have also demonstrated our capability in flex-fuel vehicles. CNG, and within that, if the CNG comes from compressed biogas, can be a very powerful combination. So we are very strongly and comfortably placed. I should also mention that if you pick any segment or any product of Maruti Suzuki and match it with the nearest peer-group model, our CO2 emissions would be at least 15% to 20% to 25% lower than those of the competition. So we are possibly very comfortably placed on CAFE.

Rishi Vora – Kotak Securities: Understood, sir. Thank you. I will get back in the queue.

Operator: Thank you. The next question is from the line of Mumuksh Mandlesha from Anand Rathi Institutional Equities. Please go ahead.

Mumuksh Mandlesha – Anand Rathi Institutional Equities: Thank you, sir, for the opportunity. First, I want to understand more about the EV market in India today, particularly how you are seeing demand and, especially in the compact segment, how you see the market for EVs.

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: This year has seen very good traction in EVs, and I think the oil scare was also responsible to some extent because in our showrooms we have found increased customer queries on all clean technologies, such as CNG and EVs. It is a welcome move, and I think Maruti Suzuki has also contributed to some extent because we are talking about an ecosystem that makes consumers comfortable owning an EV. The apprehensions are being addressed, including those related to the aftermarket, supply, battery

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replacement, and charging. Of course, we will be launching more models in the future. We will have one launch at the Bharat Mobility Show next year. Gradually, so far, EVs have lent themselves more to bigger cars in India for several reasons. Over a period of time, however, we will see them gradually proliferating into the middle and smaller segments as well, even though it is a slightly tougher proposition to make them viable in smaller segments.

Mumuksh Mandlesha – Anand Rathi Institutional Equities: Got it, sir. Secondly, are there any initial signs of rural market demand in some pockets being impacted by water curbs and shortages?

Rahul Bharti – CIRO & Senior Executive Officer Corporate Affairs: No, we are not seeing any sign of weakening. I have also heard that in some places, certain geographies have declared drought so that farmers can receive some claims. [laughs] We really have to look at the ground situation. Things are better than what I read in the papers.

Mumuksh Mandlesha – Anand Rathi Institutional Equities: Glad to hear that, sir. Lastly, sir, if you can share the mix of first-time buyers, replacement buyers, and additional buyers—

Mumuksh Mandlesha – Anand Rathi Institutional Equities: So, first-time buyers, replacement buyers, and additional buyers, sir?

Management: First-time buyers have increased. We are now approximately at 51%. Replacement buyers account for around 22%, and an additional car in the family accounts for 27%.

Mumuksh Mandlesha – Anand Rathi Institutional Equities: Got it, sir. Thank you so much for the opportunity.

Operator: Thank you. Ladies and gentlemen, we will take this as the last question for the day. On behalf of Maruti Suzuki India Ltd., that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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