

## Maruti Suzuki reduces car prices after tax cut

India's top car maker Maruti Suzuki Ltd Friday announced a reduction in prices of some of its models following Finance Minister P. Chidambaram's proposal to trim excise duty by four percent.

The prices of all six models that qualify for the lower excise benefit - Maruti 800, Omni, Zen, WagonR, Swift Diesel and Alto - will be reduced.

The price reduction ranges from Rs.6,500 for Maruti 800 to Rs.18,030 for Swift Diesel (ex-showroom Delhi), the company said in a statement Friday evening.

Tata Motors Ltd has said it will reduce the prices of its small cars and commercial vehicles (including buses, bus chassis and bus body) after studying the details of the policy changes announced in the budget presented in the parliament Friday.

Hyundai Motor India Ltd intends to cut the prices of its Santro by Rs.12,000 while its Getz and i10 would be cheaper by Rs.14,000 and Rs.12,000 respectively.

According to an official of General Motors, the company would reduce the prices of its Spark and Aveo U-VA models. The price reduction will be between Rs.7,500 and Rs.14,000.

Among the tyre manufacturers, JK Tyre and Industries Ltd has announced its intention to reduce the prices of its radial and bias tyres fitted on trucks, car and farm vehicles from March 1, 2008, onwards.

K.J. Rao, chief financial officer of Ceat Ltd, said the company would pass on the two percent reduction in excise duty to the customers.

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