



***Sustainability in motion
Building progressive partnerships***



**Tata Motors Limited
Corporate Sustainability Report 2011-12**

Sustainability in motion – Building Progressive Partnerships

'Sustainability in motion' is a reflection of our relentless pursuit towards excellence and value creation in a responsible and sustainable manner. Sustainability is at the core of our value system to conduct business in a manner that meets our aspirations and needs of stakeholders without compromising the environment or society. We deliver quality products with superior performance to our customers. Through our vast supply chain, we support businesses and create indirect employment opportunities. We strive to provide an enabling work environment to our people to harness their potential and help them achieve their dreams. Our community development agenda promotes inclusive growth through a participatory approach.

Meaningful partnerships with stakeholders has been the cornerstone of our success for more than six decades. We continue to forge meaningful stakeholder relationships as we gear up to pursue growth at an unprecedented pace and face unknown challenges. This year, our focus has been on 'Building Progressive Partnerships' - to strengthen existing partnerships and create new ones.



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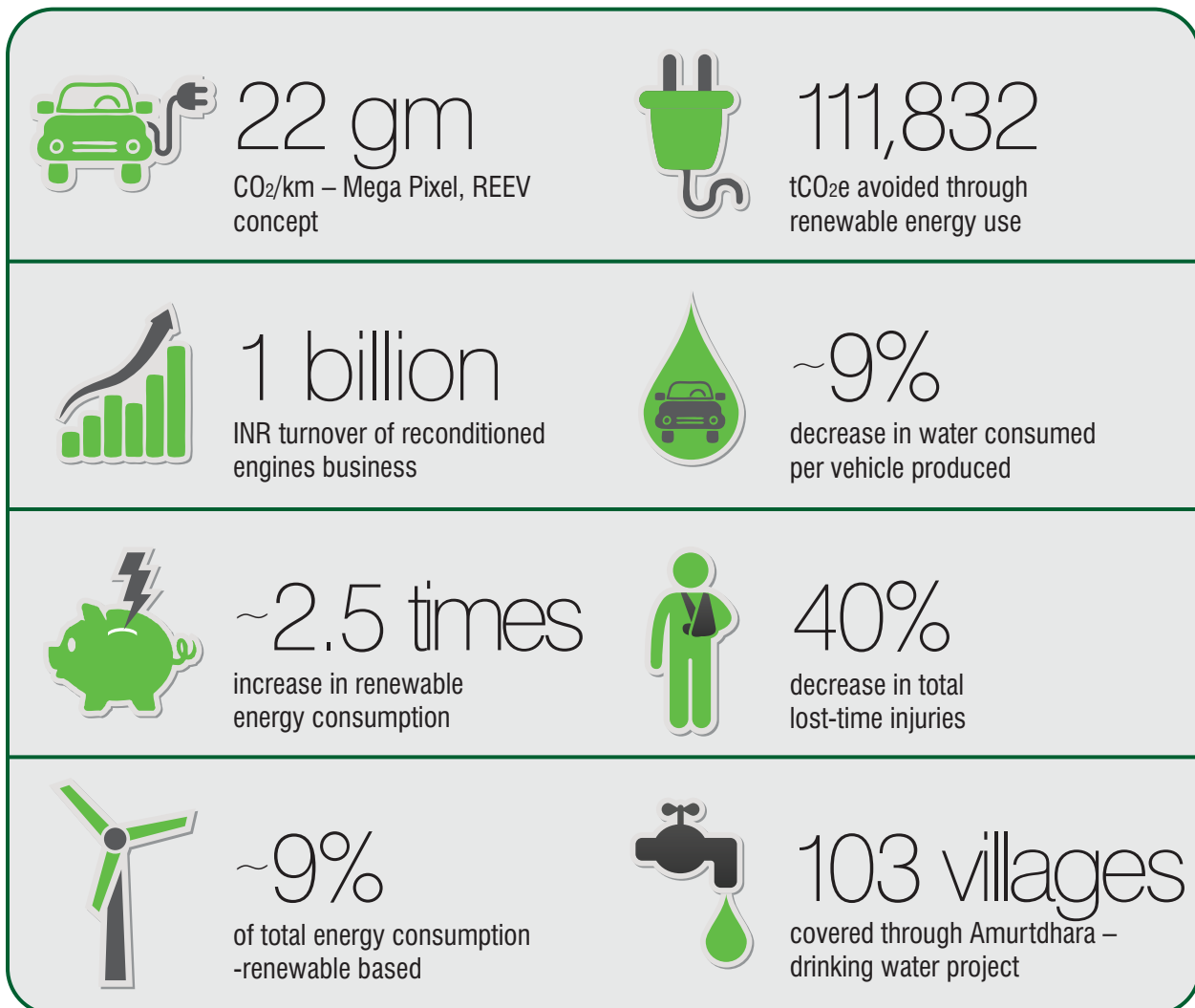
*Indian National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business



ABOUT THE REPORT

This is Tata Motors Limited's eighth¹ Sustainability Report covering the period from 01 April 2011 to 31 March 2012 (financial year 2011-12). This report includes performance data and information related to our Indian operations at Jamshedpur, Lucknow, Pune, Pantnagar and Sanand. The report does not include performance data and information related to joint ventures and subsidiaries.

This report is based on the Global Reporting Initiative's G3.1 Guidelines and is externally assured by DNV. The report conforms to A+ application level of GRI G3.1 Guidelines. We have engaged KPMG, India to provide professional services for developing this report. Further, this report serves as our Communication on Progress to the United Nations Global Compact, adhering to GC Advanced level. We have also linked this report to the nine principles defined under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses in India issued by the Ministry of Corporate Affairs, Government of India.



Cautionary Statement

This report contains “forward-looking statements” describing the Company's objective, projections, estimates and expectations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand /supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, laws and other statutes and incidental factors.

¹ The report covering our performance for the year 2004-05 and 2005-06 were limited to internal circulation. 2006-07 onwards, we have reported our performance on the public domain and can be accessed at: <http://www.tatamotors.com/sustainability/sustainability.php>



***MANAGING
DIRECTOR'S
STATEMENT***

MANAGING DIRECTOR'S STATEMENT



We pursue our sustainability agenda by focussing on key sustainability challenges, developing world-class vehicles with lower emissions and best-in-class fuel efficiency, and fostering strategic partnerships with stakeholders. We conducted a materiality assessment exercise to understand and prioritize material issues to us and our stakeholders. The assessment brought out climate change management, supply chain management, materials management, occupational health and safety, and community stewardship as material sustainability issues for Tata Motors in resonance with some of the industry's key sustainability challenges.

Dear Stakeholders,

We are glad to introduce to you our eighth sustainability report covering Tata Motor's economic, environmental and social performance for the year 2011-12. We have always believed that existence of a business is for betterment of the society and hence sustainability forms an integral part of our business conduct. '*Sustainability in motion*' captures our commitment to continually adopt and ingrain sustainability principles in the way we operate, now and in future. This year, our focus has been on '*Building Progressive Partnerships*' and this report elaborates on our efforts to strengthen existing partnerships and develop new ones. The report is also aligned to United Nations Global Compact Principles and National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Businesses.

Industry overview

The year 2011-12 recorded a growth in global sales of passenger cars and commercial vehicles by 3.6% and 5.8% respectively. This was led by healthy recovery in the US auto market where sales of passenger cars increased by 9.8% and that of commercial vehicles rose by 14%. Owing to marginal growth in the Western Europe and the UK, sales of passenger cars in these regions decreased but commercial vehicles recorded a positive growth. In Asian market, China and India collectively registered a growth in auto sales, albeit at lower levels as compared to last year. The Indian automotive market grew by 3.6% and 19.2% in the sales of passenger cars and commercial vehicles respectively. The growth in passenger cars in the Indian market was driven by demand for low-end fuel efficient cars and saw a shift of preference to diesel vehicles. Another trend observed in this market was increased interest in small SUVs and luxury brands.

Our performance

In India, Tata Motors was able to retain the leadership position in the commercial vehicles segment, recording a sales growth of 15.7% over the previous year to 530,204 units - an all-time high for the Company. We gained market strength through the highly successful Ace and Magic - our new range of light pick-up trucks. On the passenger cars front, we registered a sales growth of 4% to 333,044 units in the domestic market compared to an industry growth of 3.6%. The sales of our affordable category car "Nano" witnessed a growth of 5.8%

compared to previous year. The year also marked 50 years of our International Business division. The exports during the year grew by 8.6% to 63,105 units driven by focus on the emerging markets in SAARC, South Asia and Africa.

Product development

We expect increased competition in the commercial vehicles segment with the entry of global brands. We are geared up to meet this competition through our new line of vehicles which are under development. The competition in the already crowded passenger cars space is expected to intensify further. We intend to regain the market share we earlier enjoyed in passenger cars segment by effectively addressing the requirements of the market place with our existing and future products. During the year, we launched Nano 2012, Indica Vista refresh and BS IV compliant Sumo Gold; all of which contributed to our growth in the market share. We unveiled the Tata Safari Storme at the Delhi Auto Expo 2012 and also showcased Indigo Manza Hybrid, Nano CNG concept, CNG variant of Magic Iris and new Ultra range of LCV trucks and buses. At the Geneva Motor Show, we have showcased the Mega Pixel - Global Range Extended Electric Vehicle (REEV) concept. In the luxury vehicle segment, we launched the Range Rover Evoque in September 2011, which since then has bagged over 100 international awards.

Sustainability focus

The automotive industry in general is impacted by some key sustainability challenges like climate change, resource scarcity, product safety and reliability, occupational health and safety, supply-chain environmental and social issues and workforce management. While the environmental and emission norms become more stringent by the day, the domestic fuel policies in India have shifted the consumer preference to diesel vehicles. The volatile price of key commodities like steel, aluminium, copper, zinc, rubber, platinum, palladium, rhodium and concerns over securing rare earth metals, especially from China, will have significant impact on our business. Providing affordable vehicles without compromising on product safety and reliability is important for us to deliver our value proposition to the customers. Sound environment and safety management of our operations and the supply chain is critical for business continuity. Managing aspirations of our huge workforce, including the temporary and contract personnel, is important for us to create a cohesive organisational culture. Cordial community relationship management contributes to smooth business operations and is the foundation of our commitment towards inclusive growth.

We pursue our sustainability agenda by focussing on key sustainability challenges, developing world-class vehicles with lower emissions and best-in-class fuel efficiency,

and fostering strategic partnerships with stakeholders. We conducted a materiality assessment exercise to understand and prioritize material issues to us and our stakeholders. The assessment brought out climate change management, supply chain management, materials management, occupational health and safety, and community stewardship as material sustainability issues for Tata Motors in resonance with some of the industry's key sustainability challenges.

Towards managing our climate change impacts, we continue to develop class-leading fuel efficient vehicles while also exploring technologies on alternate fuel vehicles. Vehicle efficiencies have improved on an average by 5% year-on-year, allowing for greater fuel efficiencies. The Nano 2012, equipped with a more powerful engine and better fuel efficiency of 25.4 km per litre, improved its record as India's most fuel efficient petrol car. Indica eV2 and Indigo eCS are rated as segment leading fuel efficient vehicles. Mega Pixel offers CO₂ emission of just 22 gm/km and fuel economy of 100 km/litre (under battery only power). The Starbus Fuel cell concept, a path breaking initiative in alternate fuel technology, was developed with the support from the Department for Scientific and Industrial Research, Government of India. The all-aluminium Jaguar XJ 3.0 V6 twin-turbo diesel has CO₂ emissions rated at 184gm/km and the Freelander 2 features a new eD4 diesel engine with CO₂ emissions of 158 gm/km in 2WD category.

At an operational level, we address the impacts of climate change by focusing on operational efficiency with reduced energy intensity. Our Sanand plant is certified for the newly launched energy management standard ISO 50001:2011. Various energy conservation projects undertaken during the year across our manufacturing plants resulted in energy savings of 113,079 GJ and GHG emissions reduction of 22,617 tCO_{2e}. We continue to explore renewable energy opportunities and during the year 8.99% of our energy consumption was through renewable sources. Our CVBU plant at Pune has utilized green power of 133.7 million units leading to GHG emissions reduction of 111,832 tCO_{2e}. We are extending our climate change agenda to the supply-chain and are working with our suppliers and vendors across plants to shift from wooden packaging to returnable and reusable packaging. Our Green Building Policy guides our efforts in establishing manufacturing facilities with lower environmental impact. We minimize the disposal impacts of hazardous wastes like ETP sludge and incineration ash by utilizing them to make pavement bricks and are also exploring opportunities with cement manufacturers to co-process some of the hazardous wastes.

We continue to adopt best-in-class safety management systems across our plants and strive for zero accidents. To further improve our safety standards, we have engaged

external safety consultants across our plants. Our Pantnagar, Pune (PCBU) and Sanand plants have achieved 5 star rating in BSC audit, while the Pantnagar plant was conferred with the prestigious 'Sword of Honour' by BSC. We have established a Standard Operating Procedures for all processes inclusive of necessary safety guidelines. We have adopted a Zero Accident Policy and are proud of the fact that we had zero fatalities in this year. At product level, our Engineering and Research Center remains focused on improving active and passive safety features of our vehicles.

Our people agenda is focused on creating an enabling and safe work environment with rewarding careers. PACT (Performance Assessment and Coaching Tool) is a new progressive amendment to existing performance management and rewards systems for our employees. It is also aimed at enhancing our learning and development tools to foster a more performance oriented culture. We share cordial relationships with our unions which is a testimony of smooth operations across our plants. We are sensitive to the needs of our temporary workforce and continually strive to provide them with better opportunities, including regularization of the temporary workforce as and when such opportunity arises.

We have a well-defined community development agenda focusing on four core thrust areas – Arogya (Health), Vidyadhanam (Education), Kaushalya (Employability) and Vasundhara (Environment). Our community interventions are designed to adopt a collaborative approach wherein communities, local administration and NGOs participate as co-owners rather than mere beneficiaries. We have aligned our core thrust areas to the Human Rights Charter and Millennium Development Goals. Seva (Employee Volunteering) is an important mechanism to engage our employees in the community development initiatives. Through our Affirmative Action policy, we are voluntarily working towards upliftment of marginalised sections of society like the Scheduled Castes and Tribes. To meet the shortage of skilled drivers and enhance employability of youth, we have established six driver training institutes

across the country in association with different skill development partners. This initiative also aims to enhance the road safety by providing drivers with requisite training on safe and defensive driving techniques.

This year, we have taken a concerted effort towards 'Building Progressive Partnerships' which benefit our stakeholders and us. We launched a host of customer delight initiatives aimed at improving our service offerings and rewarding customers for their loyalty. EXCEED (Exceeding Customer Expectations through Enablement of Distribution Network) program is a unique passenger car dealer engagement program to enhance dealer relationships and customer delight. During the year, the Employee Engagement Survey was extended to all hourly paid employees for the first time. We implemented real-time sharing of key data with suppliers through SAP's Collaboration Folders.

To further shape our efforts in managing sustainability, we have embarked on the journey to create a Sustainability Transformation Roadmap. The roadmap will delineate our strategy to manage sustainability along with defined goals and targets over short, medium and long term. We expect to finalize and roll-out the Sustainability Transformation Roadmap in FY 2012-13.

Tata Motors is inspired by people and we express our gratitude to all the stakeholders who have been a direct or an indirect part of our growth story and success. We remain committed to sustainable business conduct and creating long term stakeholder value. Your views and suggestions on the report are important to us and we welcome constructive feedback.



Karl Slym
Managing Director
Tata Motors Limited





***COMPANY
PROFILE***

COMPANY PROFILE

With a legacy of over six decades, Tata Motors Limited continues to be India's largest automobile company with consolidated revenues of INR 1,706.78 billion in FY 2011-12. We are the first Indian company in engineering sector to be listed on the New York Stock Exchange. Regarded as leaders in commercial vehicles in each segment, and among top three in passenger vehicles in India, we are also the world's fourth² largest truck and bus manufacturer.

We are present across all segments of commercial vehicles and passenger vehicles³ with over 6,600 dealerships, sales, services and spare parts network touch points globally. Through our joint-ventures, subsidiaries and associate companies⁴, we have a global footprint with operations in the UK, South Korea, Thailand, Spain and South Africa and market presence across Europe, Africa, the Middle East, South East Asia, South Asia, Commonwealth of Independent States, Russia and South America⁵. In India, our manufacturing plants are located in Jamshedpur (Jharkhand), Pune (Maharashtra),

Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Sanand (Gujarat) and Dharwad (Karnataka). An industrial joint venture was set-up with Fiat Group Automobiles at Ranjangaon (Maharashtra) to manufacture both Fiat and Tata cars and Fiat powertrains. Through our subsidiaries⁶, we are engaged in engineering and automotive solutions, construction equipment manufacturing, automotive vehicle components manufacturing and supply chain activities, machine tools and factory automation solutions, high-precision tooling and plastic and electronic components for automotive and computer applications, and automotive retailing and service operations. Over 6.5 million Tata vehicles ply on Indian roads, since we first began production in 1954.

We care for over 58,000 employees who work with us across Tata Motors Group companies. We remain committed to improve the quality of life of the communities where we operate and make a difference to millions of lives through our social responsibility initiatives.

Performance snapshot⁷:

	INDUSTRY SALES			COMPANY SALES			MARKET SHARE	
	FY 2011-12	FY 2010-11	Growth	FY 2011-12	FY 2010-11	Growth	FY 2011-12	FY 2010-11
Commercial Vehicles	892,349	748,659	19.2%	530,204	458,288	15.7%	59.4%	61.2%
Passenger Vehicles	2,538,418	2,450,356	3.6%	333,044	320,252	4.0%	13.1%	13.1%
Total	3,430,767	3,199,015	7.2%	863,248	778,540	10.9%	25.2%	24.3%

Source: Society of Indian Automobile Manufacturers report and Company Analysis

Commercial Vehicles Include V2 Van Sales

Passenger Vehicles Include Fiat and Jaguar Land Rover branded cars



² Source: Organisation Internationale des Constructeurs d'Automobiles (OICA) statistics: <http://oica.net/wp-content/uploads/ranking-2010.pdf>

³ For complete list of our product range please refer Pg 14-15 of TML Annual Report FY 2011-12 available at <http://tatamotors.com/investors/financials/financial-reports.php>

⁴ For list of our joint-ventures, subsidiaries and associate companies please refer Pg 146-147 of TML Annual Report FY 2011-12 available at <http://tatamotors.com/investors/financials/financial-reports.php>

⁵ For our complete global footprint please refer Pg 16-17 of TML Annual Report FY 2011-12 available at <http://tatamotors.com/investors/financials/financial-reports.php>

⁶ For further information please refer to page 158 of the annual report FY 2011-12 available at <http://tatamotors.com/investors/financials/financial-reports.php>

⁷ The industry and company sales are based on recent reclassification of vehicles released by SIAM and hence the corresponding sales of 2010-11 reported may not correspond to figures reported in our Sustainability Report 2010-11.

VISION AND MISSION

PASSENGER CAR BUSINESS UNIT (PCBU)

Vision

To develop TATA into a world class Indian car brand for innovative and superior value vehicles.

World class in:-

- Product appeal and styling - clean, contemporary lines and shapes
- Interior space and passenger comfort
- Quality and reliability

Superior value in offering:-

- Lowest ownership cost
- Relevant cost effective technology
- More content at same price point as competition

Mission

To,

- be the most admired multi-national Indian car company producing vehicles that people love to buy
- create an organization that people enjoy working for, doing business with and investing in

COMMERCIAL VEHICLE BUSINESS UNIT (CVBU)

Our Vision

To be a world class corporate constantly furthering the interest of all its stakeholders.

Our Mission

Shareholders: To consistently create shareholder value by generating returns in excess of Weighted Average Cost of Capital (WACC) during the upturn and at least equal to Weighted Average Cost of Capital (WACC) during the downturn of the business cycle.

Customers: To strengthen the Tata brand and create lasting relationships with the customers by working closely with business partners to provide superior value for money over the life cycle.

Employees: To create a seamless

organization that incubates and promotes innovation, excellence and the Tata core values.

Vendor and Channel Partners: To foster a long-term relationship so as to introduce a broad range of innovative products and services, that would benefit our customers and other stakeholders.

Community: To proactively participate in reshaping the country's economic growth. To take a holistic approach towards environmental protection

AWARDS

Environment, Safety and Social Responsibility

- 'Best Audit Committee Award 2011' by the Asian Centre for Corporate Governance & Sustainability
- 'Certificate of Commendation for Significant Achievement' at the CII-ITC Sustainability Awards 2011, for demonstrating excellent performance in the area of sustainable development, in the large business organizations category (turnover > INR 500 crores)
- The Jamshedpur plant won the Golden Peacock Environment Management Award, 2011
- The Lucknow plant was conferred with the Greentech Environment SILVER AWARD for 'Outstanding achievement in Environment Management' in the automobile sector, 2011
- The Lucknow plant was awarded the Excellent Energy Efficient Unit Award – 2011 at the 12th National Awards for Excellence in Energy Management 2011, conducted by CII – Godrej Green Business Centre at Hyderabad International Convention Centre
- The Sanand plant won the Golden Peacock Eco-Innovation Award – 2011
- The Sanand plant received a 5-Star rating (Score: 94.9%) in the British Safety Council (UK) Health & Safety Audit
- The Pantnagar plant won the CII Environmental Best Practices Award 2012 in the Innovative Environmental Project Category, for 'Recycling paint sludge into reusable industrial primer.'
- The Pantnagar plant was adjudged to be '5 Star(highest) category, in its Safety & Health Management Systems' by British Safety Council, UK
- The Pantnagar plant was conferred with the Sword of Honor Award by British Safety Council, UK
- The Pantnagar plant was conferred with the prestigious 'Safety Innovation Award 2011' at the 8th Safety Convention on the Institution of Engineers (India).
- Excellence in Corporate Governance for 2011, Golden Peacock Award
- 'Golden Peacock Environment Management Award' for Corporate Social Responsibility for 2011
- The Lucknow plant won the Golden Peacock National Quality Award 2011, for overall business excellence and quality standards, in the automobile category



Manufacturing Excellence

- Ranked number 1 in Nielsen's Corporate Image Monitor Survey 2012' in India (for innovative techniques, providing reliable products & striving for excellence)
- Tata Genuine Parts Team was conferred with the 'Corporate Excellence Award' at the 66th Annual All India Achiever's Forum (AIAF), for its supply chain innovation of delivering parts for designated vehicles, anywhere in India, within 24 hours
- Tata Genuine Parts (CVBU) bagged the Indian Achievers Forum Award 2011 – 2012 in the manufacturing category for Best Practices in Business
- The Sanand Plant won Gold in the large enterprise category at the prestigious Economic Times India Manufacturing Excellence Award 2011, in collaboration with Frost and Sullivan
- The Lucknow plant bagged 5 awards in the 24th CII Quality Control Circle Preliminary Competition (QCCPC) 2011 in the northern region
- The Pantnagar plant won the Best in Class Manufacturing Award 2011-12 for its 'Operational Excellence'



Business performance

- Ranked best employer in the engineering and automotive sector and tenth overall for 2011 in a survey conducted by Business Today, for 'Best Companies to Work for in India'
- Ranked number 1 across all automobile brands for 2011 by the (Financial Express) Brand Wagon – Synovate Best Brands Survey 2011
- Ranked as India's Most Reputed Company in the Nielsen Corporate Image Monitor (CIM) Study 2011-12
- Ranked as the 2nd most trusted category of four-wheelers in The Economic Times Brand Equity 'Most Trusted Brands' survey for 2011
- Honoured with the 'Company of the Year for the Automotive & Transport Equipment category' in 2011 International Business Awards by Stevie Awards Inc, USA
- Won the North American Die Casting Association's (NADCA) International Die Casting Competition Award 2011, in the Aluminium category, for excellence in the Aluminium Die Casting (over 10lbs.)
- Awarded the NDTV Profit Business Leadership Award 2011 (7th edition), in the automobile (four-wheeler) category for organizational excellence
- Won 6 awards at the 51st Annual Award Nite of the Association of Business Communicators of India (ABCI), for excellence in business communications
- Customer Support (CVBU) was awarded the People's Choice Stevie Awards 2012 for 'Favourite Customer Service'
- Customer Care (CVBU) won the 'International Customer Service Excellence Award – Large Business', at the 10th Annual Australian Service Excellence Award (ASEA) 2011, held at Sydney
- The Sanand plant received the Golden Peacock HR Excellence Award – 2011
- The Institute of Chartered Accountants of India (ICAI) conferred Mr. C. Ramakrishnan (CFO) with the prestigious Business Achiever Award 2011, in the industry category
- Mr. S B Borwankar was conferred with the Indian Institute of Industrial Excellence Performance Excellence Award
- Mr. S. P. Joshi (VP – Customer Care, CVBU) was conferred with the 'Customer Service Leader of the Year' at the 6th Annual Stevie Awards 2012





***CORPORATE
GOVERNANCE***

We are proud of our legacy of transparent and effective governance practices. We have always gone beyond compliance and have set high standards of transparency and ethics in our practices. We conduct our business with integrity, professionalism and respect while continuously evaluating our priorities and improving our abilities. Our structured governance system helps the Board of Directors and its committees fulfil their responsibilities towards our stakeholders. Our governance standards have been designed to meet future requirements as well as complying with Clause 49 of the listing agreement of the Indian stock exchanges.

The Tata Code of Conduct (TCoC)⁸ clearly defines the values, ethics and business principles that provide direction to our Board and employees on ethical behaviour. It also acts as a redressal system wherein employees can report concerns regarding non-compliance with the Code. These values are incorporated into our business goals, objectives and targets. The Tata Business Excellence Model (TBEM) is a means to drive business excellence and Balanced Scorecard methodology is used to track progress on long term strategic objectives. Through TBEM assessments, all our operations are periodically checked for various elements of the TCoC including but not limited to aspects of anti-bribery and corruption, equal opportunities, competitive markets, regulatory compliance and human rights. The TCoC also guides all our investment and procurement practices. All our business units are also regularly analysed and audited for risks related to corruption as per the Sarbanes-Oxley Act. Human rights aspects are also covered through SA8000 assessments for our Pune and Jamshedpur plants.

The Board of Directors at Tata Motors comprises of 13 directors of which 10 are non-executive. They are responsible for providing direction and support to the management and they guide, superintend and control performance at Tata Motors.

We meet various governance requirements through the following committees: Audit Committee, Remuneration Committee, Investors' Grievance Committee, Executive Committee, Ethics and Compliance Committee and Nominations Committee⁹. A steering committee headed by the Managing Director tracks our health, safety and environmental performance and provides insights and guidance for improvement and efficiency on a monthly basis. We are also in the process of establishing a Board

level committee to oversee our Sustainability/SHE performance.

During the year, eight Board meetings were held. The minutes of meeting of all Board meetings and Board Committees' meetings are placed before the Board for discussion/ noting. The actions taken on decisions/ minutes of meeting of Board meetings are also presented to the Board in the immediately succeeding meeting. This enables the Board to track and review the progress of the decisions taken on various aspects of the Company's performance including economic, environmental and social performance.

We have in place an enterprise risk management framework that identifies the risks related to strategies, operations, finances and governance and examines any weaknesses in our internal processes. We have implemented an online compliance management tool LEGATRIX to help us track and manage compliance of various regulatory and legal requirements. During the year, we had no instances of significant fines or non-monetary sanctions levied against the Company.

We have an Ethics and Compliance committee that monitors compliance with the Code and ensures all our employees abide by the Code. All employees undergo a one-hour refresher course on the TCoC which includes clauses on ethics, human rights and anti-corruption. We have appointed a lady ethics counsellor across locations as a part of our Sexual Harassment Redressal Mechanism. We have zero tolerance approach towards discrimination. The concerns and cases in terms of ethics and integrity are presented to the audit committee periodically. Cases that are found to be in non-compliance with the Code are investigated and the employees are penalised in accordance with the guidelines in the Code. According to the TCoC framework, the types of concerns can be grouped under the following six categories: employee relations; environment, health and safety; diversity, equal opportunity and respect in the workplace (including sexual harassment complaints); financial impropriety; legal compliance and unfair business practices.

In Pursuant to Clause 49 of listing agreement with SEBI we have also implemented a 'Whistle Blower Policy' and established a mechanism for employees to report concerns related to unethical behaviour, actual or suspected, fraud or violation of TCoC.

⁸ For further details please refer: <http://www.tata.com/aboutus/articles/inside.aspx?artid=NyGNnLHkaAc=>

⁹ For complete information on our Board committees please refer Pg 103-109 of TML Annual Report FY 2011-12 available at <http://tatamotors.com/investors/financials/financial-reports.php>

Classification of incidents under the TCoC	Concerns received (Nos.)	Concerns resolved (Nos.)
Employee relations	6	6
Environment, Health & Safety	3	3
Diversity, Equal Opportunity & respect in the workplace (including sexual harassment complaints)	21	21
Financial impropriety	27	27
Legal compliance	0	0
Unfair business practices	2	2
Total	59	59

Management systems

In order to bring uniformity to our operations and to function in an efficient and effective manner, we use an enterprise process model (EPM) manual consisting of enterprise level processes and sub-processes. Changes in business needs and shifts in processes are reflected in the model which is updated on a periodic basis. Our Enterprise Resource Planning SAP gives us the benefit of accurate and consistent data. We also have a CRM-DMS (Customer Relationship Management – Dealer Management System) that has been initiated through a centralised system and deployed to all channel partners. Our plants at Jamshedpur and Pune are certified to SA8000 social accountability standard and they are subjected to reviews and assessments which include human rights aspects. All our manufacturing divisions are certified for ISO 14001:2004 – environmental management system standard and OHSAS 18001:2007 -

safety and occupational health management system standard. Our Sanand plant has been certified for ISO 50001:2011 energy management system standard this year. In order to ensure we have reliable and responsible suppliers for automotive production and service parts, we have mandated that all of our suppliers adopt the ISO 9001/TS 16949 quality management system frameworks.

Public Policy Advocacy

We aim to be involved in making sound policy decisions, to drive change and foster public policies that are beneficial to industry and the nation as a whole. We are active members of a number of associations, through which we endeavour to put forth our views, work with our peers and influence strategic decision making at all levels. Some of the industry bodies which we are a part of are as follows:

- Indo German Chamber of Commerce
- Society of Indian Automobile Manufacturers (SIAM)
- Association of Indian Automobile Manufacturers (AIAM)
- Maharashtra Economic Development Council
- Indo American Chamber of Commerce
- The Indo-Japanese Association
- Bombay Chamber of Commerce and Industry (BCCI)
- Automotive Research Association of India (ARAI)
- Confederation of Indian Industry (CII)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Prostep, Germany
- Federation of Indian Export Organization (Western Group)
- Wards Automotive Reports, USA
- Automotive News, USA/Crain Communications Inc. USA
- Cardesign News Ltd. UK



Board of Directors



Mr. Ratan N Tata
Non Executive, Chairman



Mr. Ravi Kant
Non Executive, Vice Chairman



Mr. V K Jairath
Non Executive, Independent



Mr. N N Wadia
Non Executive, Independent



Mr. R Sen
Non Executive, Independent



Mr. S M Palia
Non Executive, Independent



Mr. Ralf Speth
Non Executive



Mr. R A Mashelkar
Non Executive, Independent



Mr. Cyrus P. Mistry
Non Executive



Mr. N Munjee
Non Executive, Independent



Mr. R Pisharody
Executive



Mr. S Bhargava
Non Executive, Independent



Mr. S B Borwankar
Executive



***MATERIAL
ISSUES***

MATERIAL ISSUES

Given the economic and social conditions in which we operate, there are number of issues which affect our growth as a company – on a daily basis and over a long period of time. In order to identify our priority areas, last year, we conducted a materiality assessment. Issues of material significance were identified and assessed by senior management against six materiality filters – financial impacts and risks, legal drivers, internal policy drivers, peer based performance, stakeholder concerns and opportunity for innovation. Inputs were also gathered from key stakeholders through focused questionnaires and discussions. The assessment confirmed climate change management, supply chain management, materials management, occupational health and safety and community stewardship as key material issues¹⁰ on which our stakeholders expect our response.

This year, we embarked on a journey to develop a Sustainability Transformation Roadmap for Tata Motors, which will delineate our strategy to manage sustainability with defined goals and targets. The roadmap is expected to be finalized and rolled-out during FY 2012-13.

Climate Change Management

The auto industry has repeatedly come under the scanner for greenhouse gas emissions and the resulting impact on climate change. A majority of the carbon emissions attributed to our business are during the use phase of the vehicles we manufacture and consequently climate change is of utmost priority to us. We have devoted resources to develop technologies that reduce our carbon emissions. We are focusing on alternate fuel and fuel efficient vehicles in all geographies of our operations. We are focusing on green technologies in order to better manage our manufacturing plants and people and also safeguard ourselves against future legislation and



dependence on fossil fuels. We have also worked on reducing our energy consumption in our manufacturing facilities through various initiatives outlined in the section on energy and climate change.

Supply Chain Management

Our ability to deliver vehicles of superlative quality and in the desired time frame depends heavily on the quality and robustness of our supply chain. Hence, supply chain management is a key component of our functioning and is an area we pay close attention to. All our suppliers are mandated to adopt ISO 9001/TS 16949 quality management systems, and we encourage them to implement ISO 14001 and OHSAS 18001 standards as well. In order to minimize turn-around time, reduce logistics cost, save fuel and reduce packaging we have created vendor parks near our plants in Sanand,



Pantnagar and Lucknow. Our ultimate aim is to ensure that our supply chain contributes to our overall sustainability vision and strategy.

Materials Management

Rising costs of raw materials has huge impact on our manufacturing costs, and thus materials management is imperative for us to remain competitive. Additionally, good material management helps in resource conservation, thereby reducing the material intensity of our products. Recovering materials from waste and utilizing recycled input materials presents us with opportunities to develop innovative processes and technologies, and also contribute to a lower environmental impact.

Community Stewardship

Given the legacy of the Tata Group, community stewardship is part of our ethos. It helps us build on our Group heritage, secure goodwill within our areas of operation and thereby ensure our business sustainability. It also helps us build a favourable reputation with our other stakeholders like employees, suppliers, customers and investors. Our community development agenda aims to create a positive impact on the surrounding communities. We have focused our activities on education, health, employability and environment, as part of our community development agenda.

Occupational Health and Safety

Occupational health and safety is imperative to our continued business sustainability and for creating a safe working environment. At CVBU, we have engaged DuPont to assist us in implementing a safety management system which fosters a culture that adopts zero-tolerance towards accidents, injuries and negligence. Our PCBU division is associated with British Safety Council to implement world class safety management systems. Our near miss reporting has increased due to enhanced safety awareness and we have consistently reduced the number of reportable injuries for both employees and contractual labour.

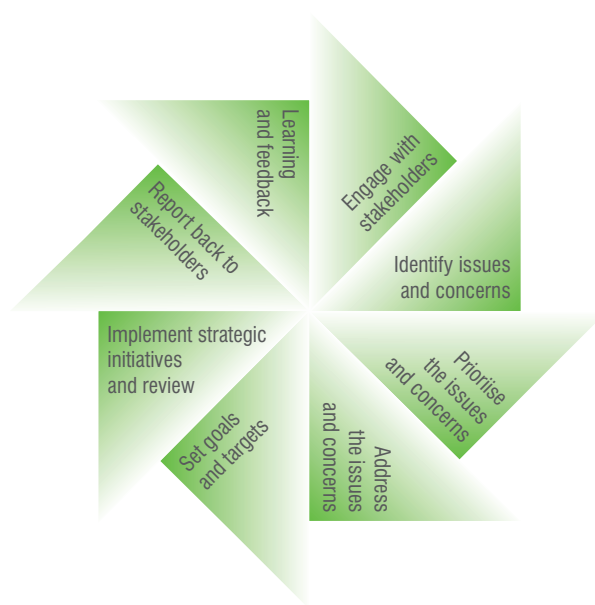


STAKEHOLDER ENGAGEMENT

Stakeholder Engagement

We are associated with myriad stakeholders who are vital to our growth and progress and whom we impact in a significant way. Stakeholder engagement at Tata Motors is a constructive process to realize the synergies between our stakeholders and us. We adopt customized formal and informal mechanisms to engage with various stakeholders. The outcomes of these engagement mechanisms form a critical input to our strategic business planning and improvement. Detailed action plans are chalked out to address stakeholder expectations and concerns and resulting outcomes are communicated to stakeholders through appropriate forums.

Stakeholder Engagement Model at Tata Motors



Investors

We communicate with our investors and shareholders through print, television and online media. The Annual General Meeting (AGM) provides our investors and shareholders with an opportunity to directly interact with the top management while regular updates about our performance are provided on our website. Investors and shareholders requiring additional information can approach our investor relations team or contact us through our Registrar and Transfer Agent. Investors' Grievance Committee headed by a Board member is responsible for redressal of investors and shareholders grievances. We also respond to investors and shareholders information requests/queries on our

non-financial performance apart from publishing sustainability reports on our website. On the recommendation of the Investors' Grievance Committee, a shareholders' satisfaction survey was conducted during December 2011/January 2012 to assess service quality delivered to our shareholders. 2,287 shareholders responded to this survey and overall we were rated high on all aspects with 7 out of 10 investors expressing delight-rating a perfect '5' on the 5 point scale across various parameters measured in the survey¹¹.

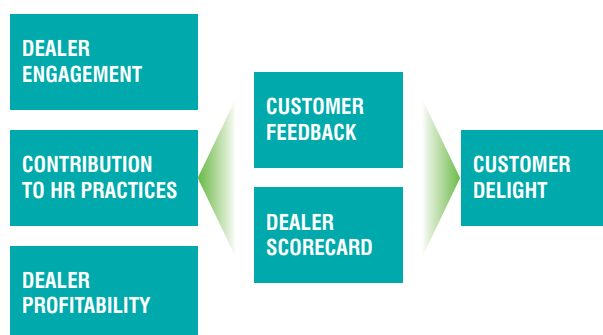
Customers and dealers

Feedback from customers and dealers forms a critical input to our business planning. We continue to innovate on our customer engagement initiatives to provide a unique customer experience. Our host of customer engagement initiatives, both in commercial vehicles segment and passenger cars segment, are well received and appreciated by our customers. We have established a robust Customer Relationship Management (CRM) framework integrated with Dealer Management System (DMS) to seamlessly process customer information and feedback. Regular customer satisfaction surveys are conducted to assess customer satisfaction levels and benchmark our performance with industry peers. Our Passenger Car business uses globally renowned J.D.Power survey scores to assess overall customer satisfaction and benchmark with industry peers. TNS survey scores are used by Commercial Vehicles business to ascertain customer satisfaction levels. We achieved a score of 785 out of 1000 points in J.D.Power CSI Score for 2011 and were ranked 7th. The results of TNS Customer Engagement Index confirm our market leadership in M&HCV Truck and MCV Bus segments with index ratings of 83 and 86 respectively (on a 200 point scale). We use a combination of secondary and primary sources of data to continually improve our quality of customer experience. We have a consumer privacy policy to guide us to ensure continued trust of our customers.

Customer dissatisfaction is also measured separately and dissatisfied customers are addressed through root cause analysis of complaints received through Complaint Management Process. Continued commitment to customer delight has resulted in establishment of Tata Alert, a 24X7 call centre and introduction of Customer Delight, a customer loyalty program. We have launched Project NEEV, a new rural marketing initiative to promote SCVs. Our CVBU engaged with more than 1300 rural youth through this initiative and over 5,000 SCVs have

been sold. Tata OK, the used vehicle exchange business, has further helped us to penetrate rural market by providing rural customers with greater access to our commercial vehicles. National Customer Day initiative was launched on October 23, 2011 to deepen customer connect in view of varied customer aspirations.

Dealer satisfaction surveys are conducted annually to understand their satisfaction levels. Apart from these annual surveys, our sales, service and spare parts team works closely with our dealers to deliver quality customer experience. A cascaded structure of regional dealer councils and national dealer council for PCBU helps us to understand the 'Voice of Dealers'. The EXCEED (Exceeding Customer Expectations through Enablement of Distribution Network) program is a key dealer engagement program with a three-step strategy to enhance dealer relationships and customer delight. The first step is to promote a partnership with the dealer. We then work to ensure dealer profitability. Customer input is continuously fed back into the process, while a dealer scorecard highlights areas of excellence and addresses areas of concern in the dealer-customer engagement process.



Employees

We engage with our employees through formal and informal mechanisms. Periodic employee satisfaction surveys help us assess overall satisfaction levels and also determine areas of improvement. The results are used to plan and implement programs to address employee concerns. Information regarding our growth plans and strategy is disseminated to employees through town hall meetings, intranet, internal newsletters and magazines. Employee suggestion schemes are established at an operational level to improve process efficiencies through employee participation. The employee suggestions and feedback form a key input in developing policies and practices. The suggestions and feedback flows from various employee engagement channels to location HR structure to HR Steering Committee and Management Committee. The Management Committee provides insights to Board of Directors on these suggestions and feedback.

We conduct performance appraisals and feedback of our employees on an annual basis. The appraisals and feedback are used to address the learning and

development needs of employees, facilitate their career growth and suitably reward them through performance linked incentives. During the year, we launched the new Performance Assessment and Coaching Tool (PACT) which is a progressive amendment to the existing performance management and rewards system. We engage in constructive dialogue with recognised employee unions and enter into long-term settlements which are periodically reviewed and renewed. Employees are encouraged to report any instances of non adherence to the Tata Code of Conduct (TCoC) without the fear of reprimand. The Whistleblower policy allows employees to alert us anonymously on any concerns of corporate misconduct. Reported instances are reviewed and addressed by our Ethics and Compliance Committee on a periodic basis.

Suppliers

We have an established Supplier Relationship Management framework. Regular supplier/vendor meets are conducted at plant level and regional level to discuss key issues of concern and areas of innovation. In these meets we also provide suppliers/vendors with important information on our business plans to enable them to better plan their capacities. We have a dedicated website for our suppliers providing all the information they need to know on the supplier relationship management framework. We also provide awareness on environmental and social issues and extend support to suppliers to improve their performance on these parameters. Ethics and integrity is of paramount importance to us and we percolate this philosophy to our suppliers/vendors through their commitment to the TCoC. Vendor parks near our operations in Sanand, Lucknow and Pantnagar enable regular contact with suppliers/vendors and help us reduce lead time, travel costs and use of packaging materials.

Communities

We are guided by the legacy of Tata Group to create value for communities. We act as an enabler to social transformation of the communities. Our manufacturing plants have dedicated Corporate Sustainability (CS) cells ably supported by a similar CS cell at the corporate level. We have identified four key themes for our community development agenda – *Arogya* (Health), *Vidyadhanam* (Education), *Kaushalya* (Employability) and *Vasundhara* (Environment). We conduct periodic community needs assessment and accordingly plan our community development strategies. Active participation from communities, local administrative bodies and NGOs is solicited for successful implementation and to make them co-owners of the initiatives. *Seva*, the employee volunteering initiative provides our employees with a platform to be a part of our community initiatives. Studies and program review assessments are conducted using the 'Tata CS Protocol' to understand the impacts of our interventions and to better plan our programs.

Stakeholder Groups	Engagement mechanisms	Frequency of engagement	Key agenda	Feedback assessment
 Shareholders	Annual general meetings; Quarterly communication; Analyst meet	Annual; Quarterly; Twice a year	Financial performance; Broad future strategies; Feedback and address of concerns; Approval from shareholders	Transcripts of teleconferences; Minutes of AGM
 Customers	Customer meets; Key account process; Surveys; Feedback calls; Training forums; Direct visits	As per requirement	Understand product feedback; Redress complaints; Suggestions on product development	Customer satisfaction index; JD Power survey
 Investors	Investor meets; Investor calls; Road shows	Annual; Quarterly; As per requirement	Financial performance; Broad future strategies; Feedback and addressal of concerns	Minutes of meeting; Action plans
 Government; Regulatory agencies	One-to-one meetings; Meetings in industry forums	Requirement based	Relationship building; Appraising the government on industry constraints; Discussions on way forward	Minutes of meeting; Action plans
 Community; Society	Meetings with local community; Public hearing	Daily; Quarterly	Community development initiatives communication; Capturing societal concerns	Minutes of meeting; Action plans; Feedback letters
 Employees	Sunrise and sunset meetings; Horizontal communications; Horizontal deployment; Weekly/ monthly reviews; Improvements displays; H R forum; Q12 tool; Skip level Meets; Town halls; Focussed group discussions	Annual; Quarterly; Monthly; Weekly	Understanding concerns; Communicating policy decisions and seeking feedback; Communicating performance	Employee satisfaction survey; Appraisals
 Dealers	Dealer meets; Joint programmes; Kaizen events; Participation in QFD and NPI; Competitor data and analysis; Special training programmes; Dealers council; Dealer visits; Audits	Annual; Quarterly; Daily	Building capacity and technical know-how; Improving and delivering better response to customers	Dealer satisfaction survey
 Suppliers / Vendors	Technology days; Supplier meets; Joint programmes; Kaizen events; Participation in NPI; Competitor data and analysis; Vendor council; Vendor mentoring	Annual; Quarterly	Delivering quality products; Time management; Compliance to TML's code of conduct and other policies	Vendor rating; Board reviews; Vendor satisfaction surveys



***ECONOMIC
PERFORMANCE***

ECONOMIC PERFORMANCE

Our economic policies are formulated based on number of factors, including market conditions, consumer preferences, past performance, government regulations and governance practices, amongst others. We create direct economic value through our operations, products and services. Our business also has significant indirect economic impacts linked to the growth of the nation. Through our commercial vehicles we help individuals and enterprises procure and deliver goods and services, thereby contributing to increased economic activity. Our passenger cars transport people enabling them to conduct personal and professional activities. We support large number of jobs in our value chain, creating numerous employment opportunities. At the industry level¹², every commercial vehicle produced in India supports employment for 13.3 people and every car produced supports employment for 5.3 people. Our community development agenda is a reflection of our ethos to empower communities towards economic and social prosperity. Overall, our business has a greater economic and social significance beyond creating profits for our shareholders. We will continue to pursue our business activities in a manner that maximizes our economic performance and the indirect economic impacts we have.

In FY 2010-11, the Indian economy grew at a rate of 8.6% but showed signs of decline by the end of that financial year. There were inflationary pressures that affected the growth along with the anti-inflationary stance taken by the Reserve Bank of India (RBI). This year we suffered from a continual high inflation rate with the Wholesale Price Index (WPI) staying above 9% from April-November 2011, and falling to 6.9% by end of March 2012. The Indian currency was also adversely affected by higher crude oil prices, lower net capital inflows and lower export growth in the last six months of the year due to a worsening global economic scenario.

These factors have affected the Indian automotive industry and particularly impacted demand due to high interest rates and a slowing economy. This year also saw very sharp increases in the prices of petrol while diesel prices did not have such a marked increase, thereby increasing the demand for diesel vehicles. This increasing demand resulted in supply constraints of diesel vehicles.

In 2011-12, Tata Motors Limited recorded sales of 863,248 vehicles, a growth of 10.9% over the previous year in the Indian domestic market. The industry as a whole grew at a modest pace of 7.2% and our accelerated

growth increased our market share from 24.3% to 25.2% in the Indian context. We also exported 63,105 vehicles from India against 58,089 last year.

In commercial vehicles, in the domestic market we have been continually improving upon our performance and this year we recorded sales of 530,204 units, growing 15.7% from the previous year - an all-time high for us. This represented a market leadership share of 59.4% in the domestic commercial vehicles segment.

This year saw a growth of only 3.6% in the domestic passenger car segment. Our sales of passenger vehicles in the domestic market (inclusive of Tata, Fiat and Jaguar Land Rover brands) was at its highest ever at 333,044 units, representing a growth of 4.0% over the sales of previous year. In an intensely competitive passenger vehicles market, our market share of 13.1% remains same as last year.

Economic Performance¹³	2010-11	2011-12
Economic Value Generated	511.84	592.21
Gross Revenue	511.84	592.21
Economic Value Distributed	481.95	555.96
Operating Costs ¹⁴	426.61	505.76
Employee Benefits and Wages	22.94	26.91
Payments to providers of capital	23.49	18.93
Payments to government	8.91	4.36
Economic Value Retained	29.89	36.25

Figures in billion Indian rupees

The current fiscal, FY 2012-13, has started with a positive action by the RBI of easing the monetary policy in April 2012, with an expectation of moderating the inflation. However, a series of such cuts would be required to revive industrial growth. Liquidity in the banking system, which remained in the deficit for the whole of FY 2011-12, remains a concern. While the situation is improving in Q1 of FY 2012-13, liquidity in the banking system remains critical to ensure sustainable growth. Inflationary pressures and concerns over weak monsoon may result in lower growth rate during FY 2012-13. Input costs continue to remain under pressure from increasing commodity prices. With increased intensity in the competitive scenario, pricing power remains limited and margins are likely to be under pressure.

¹² Source: Automotive Mission Plan 2006-16, includes direct and indirect employment

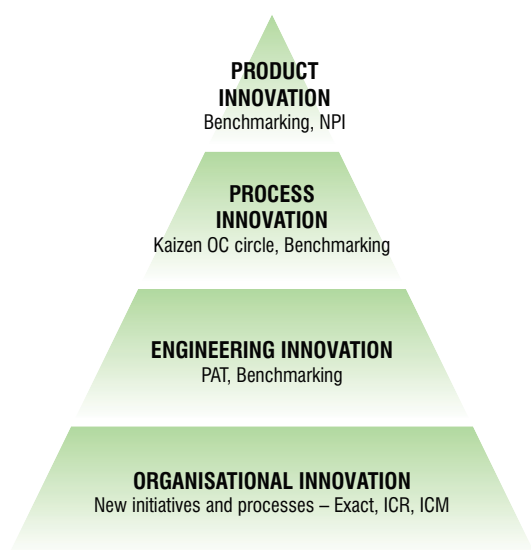
¹³ The revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification / disclosure.

¹⁴ Includes community investments

Against this backdrop, we will continue to focus on providing new products and solutions to the customer with a view to reduce the Total Cost of Ownership. Along with initial acquisition price, the focus would be on improving fuel efficiency and reducing maintenance costs of our vehicles. With a view to maintain our advantage of reach and penetration, we will also deepen our sales and service network with a focus on up-country markets. Aggressive cost reduction continues to be a focus area to offset the increased input costs and continuously improve margins. We are also actively pursuing opportunities in the international markets including the possibility of CKD and SKD assembly to offset high import costs. We will continue our initiative of setting up Nano-specific and UV-specific dealerships to improve reach and penetration along with providing an added focus to the products. We will continue to work with all partners as well as multiple financiers to work towards a best-in-class sales and service experience.

We have always strived to be at the forefront of product innovation, evidenced by our range of products across vehicle segments and price ranges. Our focus is on developing environment –friendly vehicles. The innovation agenda at Tata Motors is driven at four levels – product, process, engineering and organisational. These innovations are captured and used in developing processes, business models, products, services and solutions.

We are credited with developing indigenous products for Indian market with world-class R&D capabilities. Our Engineering Research Center, established in 1966, is equipped with more than 4,500 engineers and scientists and is pioneer in developing technologies and products. Today we have R&D centres in Pune, Jamshedpur, Lucknow, and Dharwad in India, and one each in South Korea, Spain, and the UK. Our R&D efforts are aimed at developing vehicles that consume lesser fuel, have low environmental impact and demonstrate superior performance.



In FY 2011-12 we spent INR 15.49 billion on Research and Development activities including expenditure on capital assets. During the year, we filed 110 patent applications and 102 design applications. For the applications filed in earlier years, 17 patents were granted and 12 designs were registered. We constantly evaluate the need for technology upgradation and have invested in variety of testing facilities and equipment such as:

- Urea supply and measurement system, along with ammonia analyzer for M&HCV engines having selective catalytic reduction technology for emission after treatment.
- Introduction of specialized oil conditioning system for engine friction mapping and analysis, to help improve fuel efficiency and CO₂ reduction.
- In-house development of shock tube and Split-Hopkinson pressure bar set up, for material characterization for blast testing application.
- Off road and gradient test tracks at our Jamshedpur plant
- Acoustic camera for noise source identification.
- Real time in-cabin multi-point air flow measurement.
- Door closure characteristics evaluation device
- Inductively Coupled Plasma (I.C.P.) spectrometer for oil and lubricants testing

Major technology absorption projects undertaken during the last year include:

<i>Technology for</i>	<i>Status</i>
Development of infotainment system	In progress
Digital verification platform using Hardware-in-the-Loop system for various electrical and electronics systems (such as body control module, instrument cluster, HVAC System)	Implemented
Brushless DC motor for engine cooling module	In progress
Development of low carbon vehicle technology program	In progress
Development of electric traction motor technology	In progress
Hydrogen recirculation blower system on fuel cell-battery-hybrid bus family	In progress
Battery management system on bus and car hybrids	In progress

Major Technology imports for FY 2011-12 include:

<i>Technology for</i>	<i>Status</i>
Development of fuel cell bus	In progress
Hot spot prediction of vehicle noise by acoustic camera	Commissioned and initiated for use in cars
SONAR - bench-marking database for engine-noise measurement	In-use for engine-noise analysis

We are continuously working on improving the efficiency of internal combustion engines. Development of CNG vehicles, electric vehicles and hybrids is at the forefront of our efforts. We have manufactured CNG versions of buses, light commercial vehicles and LPG versions of passenger cars. We are working on the following special projects involving environment friendly technologies using alternative energy:

- a) Hybrid electric car: A concept hybrid car based on Tata Manza was displayed at the Auto Expo 2012 in Delhi. We are further developing the vehicle so that it can be launched for commercial use.
- b) Hybrid bus: We are developing a diesel/CNG series

hybrid bus for European and Asian markets. The vehicle has optimised regenerative braking and auto stop-start of engine as well as full accessory electrification in order to maximise fuel economy under heavy urban traffic conditions.

- c) Fuel cell bus: Fuel cell bus is a derivative of the series hybrid bus, in which the electric power source is a fuel cell. We are developing a fleet of 10 fuel cell buses for a technology demonstration program supported by the Government of India
- d) Electric car: We are developing an electric car based on Indica platform targeted at European markets where there is surplus electricity generation from renewable sources.
- e) Electric small commercial vehicle: An all-electric small commercial vehicle is under development for North America and Europe. The vehicle has been already launched in the UK.

At the Delhi Auto Expo 2012, we showcased our alternate fuel technology capability by displaying four concepts – the Tata Nano CNG, the Tata Indigo Manza diesel-electric hybrid car, the Tata Starbus Fuel Cell (hydrogen) and the Tata Magic Iris CNG. We also unveiled the Tata Megapixel, a new 4-seater concept, at the 82nd Geneva Motor Show.





***ENERGY AND
CLIMATE CHANGE***

ENERGY AND CLIMATE CHANGE

We have adopted the Tata Group climate change policy to channelize our efforts in mitigating and adapting to climate change. We have developed action plans in line with this policy for our PCBU and CVBU operations. Our approach towards climate change mitigation and pursuing low carbon growth is three-fold – develop cleaner and more fuel efficient vehicles, reduce environmental impacts of manufacturing operations and build awareness among stakeholders. We are also working on various alternate fuel technologies like electric vehicles, hybrid vehicles and fuel cell technologies.

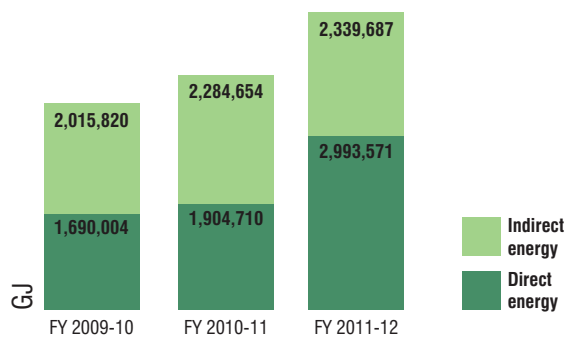
Our products are designed to deliver superior fuel efficiency for customers and thereby reduce environmental impact during use phase. Cross-Functional Teams (CFTs) are formed at plants to ensure implementation of climate change action plans. We have also trained Climate Change champions across operations to steer forward our climate change agenda. We extend the energy management principles to our supply chain by creating awareness among vendors on various environmental issues including energy efficiency and management. We manage our energy needs in a responsible manner and continually seek opportunities to

improve our energy efficiency and increase our clean energy mix. The conventional fuels¹⁵ used to meet our energy needs are high speed diesel (HSD), light diesel oil (LDO), furnace oil (FO), liquefied petroleum gas (LPG), propane, compressed natural gas (CNG), and natural gas (NG). We consume diesel and petrol as fuel for engine testing and in transport vehicles.

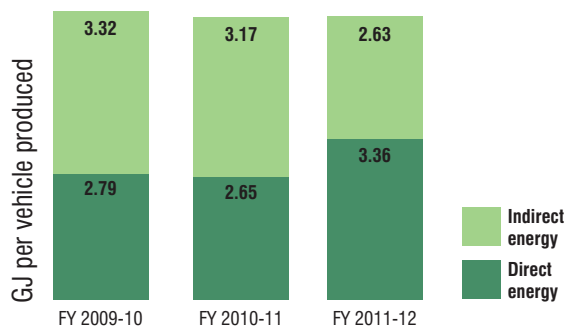
We collaborated with New Energy and Industrial Technology Development Organisation (NEDO), Japan to convert diesel electric power generator sets to dual-fuel generator sets. We worked with NEDO for two years on this project which culminated in conversion of two 2.5 MW diesel electric power generator sets at Pune plant to dual-fuel based generator sets. The change over from existing liqued fuel to cleaner gaseous fuels has the potential to avoid 1,600 tonnes of carbon dioxide emissions per year.

We have invested in renewable energy in order to meet the increasing demands of our plants and utilised wind energy at our Pune plant and solar energy at our Lucknow plant. Further initiatives have been taken up by the Pune plant to meet the entire power requirement by purchase of wind power from third party through open access. To maximize the use of wind power through open access, a Power Purchase Agreement (PPA) has been signed for an additional INR 69.5 million. Our CVBU plant at Pune has utilized green power of 133.7 million KWH leading to GHG emission reductions of 111,832 tCO_{2e}. It has also resulted in savings in electricity charges of our Pune plant amounting to INR 287.6 million. We were issued 25,297 CERs, equivalent to INR 5.23 million¹⁶, in December, 2011 for the wind generation period FY 2009-10. Renewable energy accounted for 8.99 % of total energy consumption during the year. Implementation of biogas plants is underway at our Pune, Jamshedpur and Lucknow plants.

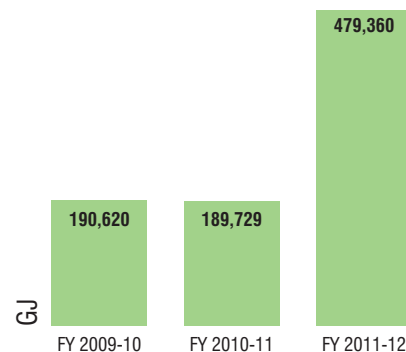
Total energy consumed



Total energy consumed per vehicle produced



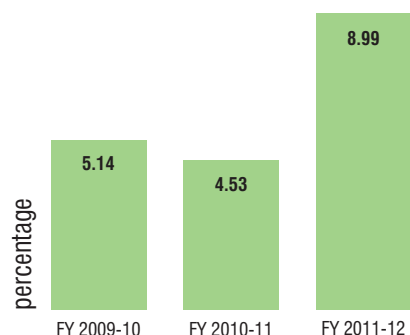
Renewable energy consumption



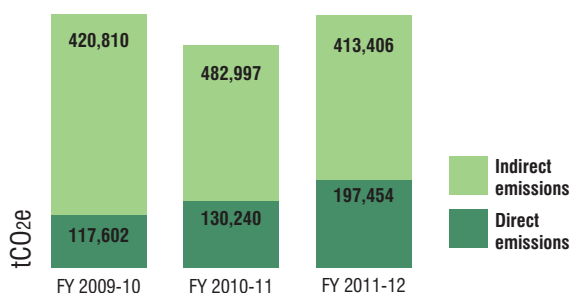
¹⁵ IPCC default net calorific values were used to convert the fuel consumption into standard energy units of giga joules. We have included Gas Dissolved Acetylene consumption in our direct energy consumption and hence the values of direct energy consumption and direct emissions reported for FY 2009-10 and FY 2010-11 are restated.

¹⁶ Considering CER-Future (Early Dec 2012) price of Euro 3.04 /tCO₂ on European Energy Exchange and an exchange rate of INR 67.96 per Euro as on 31.03.2012

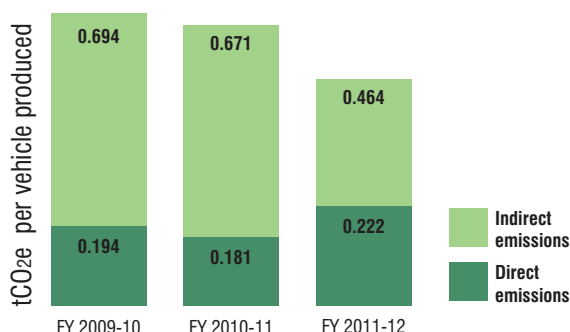
Percentage of total energy consumed that is renewable based



Total greenhouse gas emissions



Greenhouse gas emissions per vehicle produced



Energy conservation is a major process improvement driver across our manufacturing plants. We have a structured process to identify and implement ENCON (Energy Conservation) initiatives at our plants. The annualised energy savings during the year were to the tune of 131,677 GJ¹⁷, leading to estimated avoidance of 24,630 tCO₂e emissions¹⁸. Some of the key ENCON initiatives undertaken across our plants include:

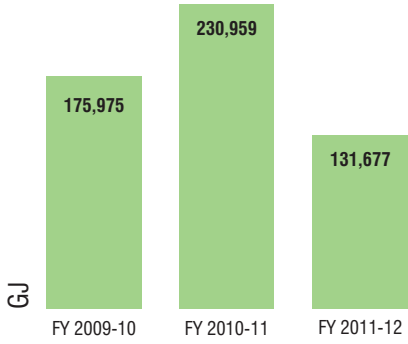
- Installation of Variable Frequency Drive motors for blower and pump, ranging from 22 KW to 160KW.
- Conversion of electrical heating into gas heating system for washing machines.
- Installation of light pipes, transparent polycarbonate sheets and solar water system for canteen
- Installation of waste heat recovery system on ED oven and furnace flue gas to heat water used in the process.
- Modification in PLC logic for automatic switching off the ASU.
- Optimization of AC plant operations by installation of active grill for data centre AC system.
- Installation of energy efficient motors, wind ventilators and super magnetic dust separator.
- Downsizing of motors, trimming impeller of oversized water recirculation pump, etc.
- Installation of a 25KW solar power plant at Lucknow

Our Sanand plant adopted the newly launched Energy Management Systems (EMS) and received ISO 50001:2011 certification for EMS. We extend the energy management principles to our supply chain by creating awareness among vendors on various environmental issues including energy efficiency and management. Best practices and case studies are regularly shared with vendors through emails and vendor meets.

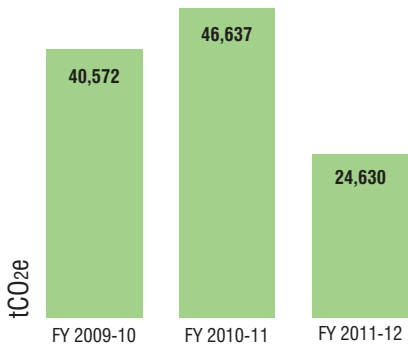


¹⁷ Energy savings reported are on annualized basis estimating the energy savings of ENCON initiatives for one complete year
¹⁸ The direct emissions are calculated based on the fuel quantity consumed using IPCC default emission factors. The indirect emissions are calculated based on electricity sourced from grid using the latest grid emission factors published by Central Electricity Authority, India. The emission reductions are calculated based on the latest grid emission factors published by Central Electricity Authority, India for electricity saved and IPCC default emission factors for fuel saved. We have restated the values for Greenhouse gas emission reduction reported for 2010-11 owing to reporting error.

Annualised energy savings due to ENCON initiatives



Greenhouse gas emissions reduction due to ENCON initiatives

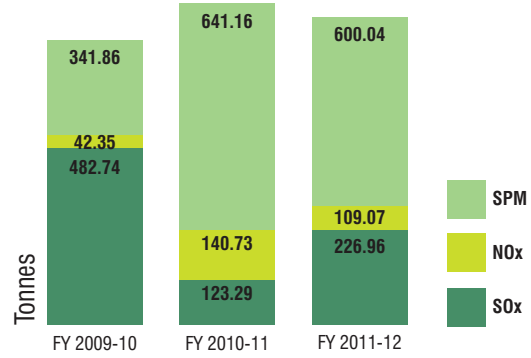


Air emissions

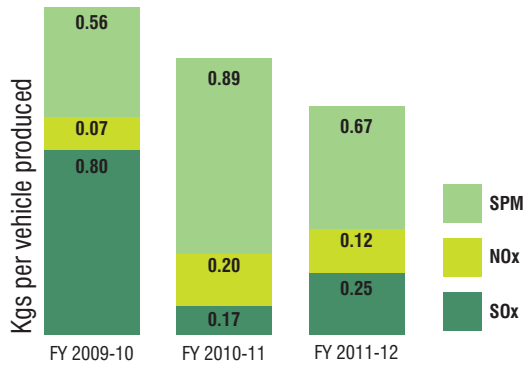
Major emissions due to our manufacturing activities include particulate matter (PM), oxides of nitrogen (NOx) and sulphur (SOx). Through efficient manufacturing processes and use of cleaner fuels, we continually work towards reducing these emissions. We take numerous steps to effectively monitor air emissions from our production facilities including an on-line monitoring and alarm system for incinerator emissions. We use R134a

which has zero ozone depleting potential as a refrigerant in our products. During the year, our Pune and Sanand plant have used 63.31 kg CFC-11 equivalent of ODS.

Air emissions



Air emissions per vehicle produced



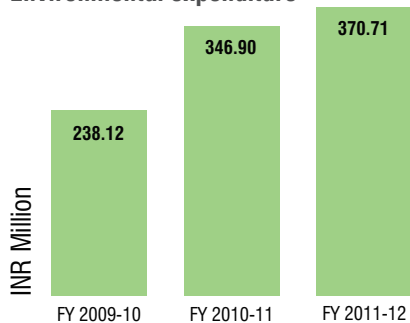


***ENVIRONMENTAL
STEWARDSHIP***

ENVIRONMENTAL STEWARDSHIP

Our climate change and environment policies adopt a precautionary approach to assess and minimize environmental impacts. We have developed a green building policy and an environmental procurement policy to focus our synergies to develop an efficient supply chain. A Steering Committee headed by the Managing Director addresses safety, health and environment issues on a monthly basis, in order to track performance and identify areas of improvement. Our manufacturing divisions are certified for ISO 14001:2004 – environmental management system standard and we have laid emphasis on conservation initiatives, especially energy, waste and effluent management and water conservation.

Environmental expenditure



Materials Management

Our efforts, from design stage to production and sales, are directed towards consuming fewer resources through product innovation and process optimization. This makes good business sense and also contributes to lower environmental impact. We primarily use steel sheets and plates, castings, forgings, tyres, fuel injection equipment, batteries, electrical items, rubber and plastic parts, paints and thinners for manufacturing the vehicles. Aggregates such as axles, engines, gear boxes and cabs are either manufactured by us or procured from our subsidiaries, affiliates or strategic suppliers. We also use consumables such as lubricants, welding consumables, cleaning agents, etc. for our production processes.

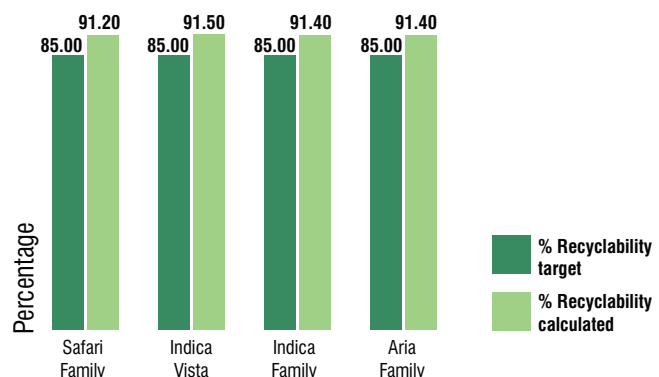
Our research team is constantly working on alternate and composite materials. Use of jute and polypropylene based composite for headlining application of Tata Nano is one such example of our efforts to reduce the life cycle impacts of our vehicles. Jute fibres are safer to handle, process and use. They also require less energy to manufacture compared to conventional glass fibres and are readily available in India, making it viable to replace glass fibres. Eliminating or reducing use of hazardous

Material consumed	Units	FY 2009-10	FY 2010-11	FY 2011-12
Steel	Tonnes	185,205	220,133	258,980
Steel Tubes	Tonnes	30	82	43
Non-Ferrous Alloys	Tonnes	3,339	5,040	5,181
Ferrous Alloys	Tonnes	1,372	1,716	3,097
Steel Melting Scrap	Tonnes	53,418	62,195	95,993
Paints, Oils & Lubricants	Tonnes	7,684	12,151	14,457
Tyres, tubes & flaps	Kilo Liters	10,024	13,349	16,717
Engines	Numbers	4,555,111	7,243,420	8,497,702
	Numbers	104,309	135,181	152,785

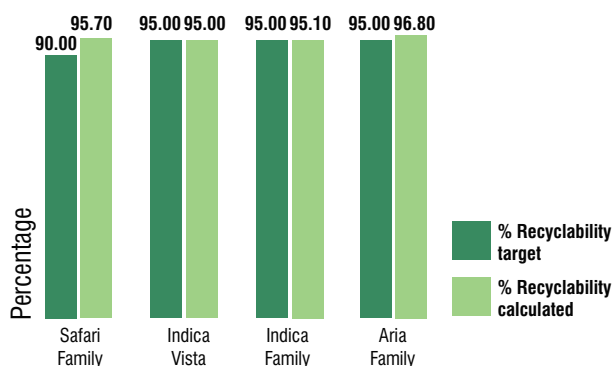
substances in our vehicles continues to remain one of focus areas for product innovation and development.

We comply with the European Union (EU) directive 2000/53/EC on End-of-Life Vehicles (ELVs) which in principle bans use of four hazardous heavy metals (lead, mercury, cadmium and hexavalent chromium) in automobiles. We are also proactively working on compliance to REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) regulation for export oriented vehicles. Key materials used in automotive industry such as ferrous and non-ferrous alloys, polymers, glass, lubricants, other fluids are covered under REACH regulation. We created supplier awareness on this regulation by circulating the guidelines and conducting awareness sessions through vendor meets. To ensure compliance to this regulation, work is under progress to develop a new IT enabled supplier interface system.

Recyclability - EU directive

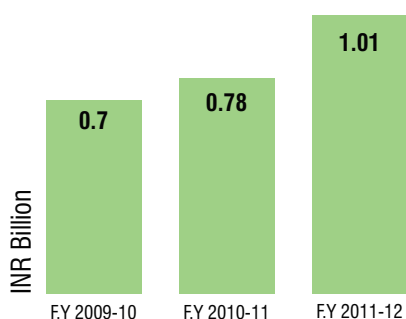


Recoverability - EU directive



Our aim is to provide superior value to customers throughout the life cycle of the vehicle. Our 'Recon' business was conceptualised to cater to the need of CVBU customers whose vehicles require overhauling to extend the life of aggregates. These customers are provided with the convenient option of exchanging the aggregates with reconditioned ones at any of our designated channel partners. The customer is benefited by assured quality and renewed warranty on the reconditioned part. The used aggregates are reconditioned at a dedicated facility at our Lucknow plant. The revenue from our 'Recon' business grew to INR 1 billion, reconditioning 16,418 long blocks and 18 NPI (New Product Introduction) items. Our resource efficiency initiatives have also enabled us to reuse engine oil for multiple engine testing cycles. As compared to 85 engines, a 200 litre engine oil barrel is now used to test 170 engines. We also recycled 31,139 tonnes of metal scrap and forgings at our Pune plant.

Recon business turnover



We took concerted efforts to reduce our packaging footprint. We continue to increase the use of sustainable packaging (replacing wood with metal and plastic) and reuse existing packaging (recycling wood). Awareness on reduction of use of fresh packaging material is created among our suppliers and they are encouraged to innovate on use of packaging material with lesser environmental impact. We have also collaborated with our strategic suppliers and developed custom-built collapsible polypropylene (PP) boxes for components that are difficult to handle (eg. dashboards). These custom-built reusable packaging solutions have significantly reduced

our packaging material requirement. At our Jamshedpur plant, we were able to avoid use of 57,153 cft of wood as packaging materials in FY 2011-12 by using corrugated fiber boxes instead of wooden boxes. Our Pune plant is closely working with numerous vendors to shift from conventional non-reusable packaging to returnable and reusable packaging solutions. Components, which earlier were procured in cardboard packaging, are now procured in recyclable containers. We were able to eliminate the need for packaging Air Brake Tubes at the Pune plant by shifting from PP boxes to returnable steel trolleys.

Waste Management

Our waste management practices place emphasis on reducing waste generation, reusing/recycling waste generated and disposing waste in an environmentally sound manner. Paint sludge is one of significant hazardous waste generated in automobile industry. We took significant efforts to reduce and reuse/recycle paint sludge. Extensive research work was done with our vendor partner to develop paint products from hazardous paint sludge. Two products, casting sealer and anticorrosive black, were developed and are used at our Jamshedpur plant. The recycled grey casting sealer is used for painting the cylinder blocks in foundry division and anticorrosive black is used for painting engines, truck chassis frames, transmission housings and axle assemblies. Pune plant procures the recycled paint for floor painting application. During the year, 201.35 MT of paint sludge from our Pune plant and 26.18 MT of paint sludge¹⁹ from our Jamshedpur plant was converted to usable primer through an authorized recycler.

Apart from recycling and reusing the paint sludge, our Jamshedpur plant manufactures pavement bricks from incineration ash generated due to incineration of wastes. Jamshedpur plant manufactured 278,131 bricks of 80 mm size by utilizing approximately 290 MT of incineration ash and ETP sludge. Our Pantnagar plant utilizes ETP sludge to make pavement bricks. We are also working with cement companies to explore the opportunities for co-processing of various types of wastes including plastics. Jamshedpur plant conducted trial tests for co-processing of plastic waste at ACC Cement Works, Chaibasa while Pantnagar plant is working with Ambuja Cements on co-processing of wastes. Sanand plant is also exploring similar opportunity with Ambuja Cements.



¹⁹ The paint sludge sent for recycling in 2010-11 was 78.78 MT and 6.1 MT from our Pune and Jamshedpur plant respectively. This has been erroneously reported as 390 MT and 35 MT/month from our Pune and Jamshedpur plant respectively in Corporate Sustainability Report 2010-11.

The other hazardous and non-hazardous waste generated at our plants is segregated at source through standardized colour coded bins. The hazardous waste is disposed off in an environmentally sound manner adhering to pollution control board norms. The non-hazardous waste, primarily wood and metallic scrap is sold to recyclers. The organic waste generated from our canteen facilities at Jamshedpur and Lucknow plants is converted to manure through organic waste convertors. We further intend to recover and use the biogas generated by canteen waste through biogas plants planned at Pune, Jamshedpur and Lucknow plants.

Hazardous waste disposed	FY 2009-10	FY 2010-11	FY 2011-12
Sludge ²⁰ (tonnes)	4,299.25	4812.81	5763.35
Used Batteries (tonnes)	37.76	198.19	164.44
Used oil (tonnes) ²¹	168.00	497.68	510.36
Oil contaminated materials (tonnes) ²²	23.56	55.31	230.49
Other hazardous waste (tonnes) ²³	402.15	936.65	1495.33
Other hazardous waste (KL) ²⁴	121.66	231.90	441.07
Other hazardous waste (Nos) ²⁵	4,314.00	7906.00	8109.00

Non-Hazardous waste disposed ²⁶	FY 2009-10	FY 2010-11	FY 2011-12
Plastic waste (tonnes)	89.70	214.82	246.44
Metallic scrap (tonnes)	10,869.79	12160.92	25601.96
Other non-hazardous waste (tonnes) ²⁷	90,049.21	71685.17	99128.31
Other non-hazardous waste (Nos) ²⁸	30,930	46,934	48,938

Water Management

It is our constant endeavour to reduce our water footprint, through implementation of water recycle and reuse systems and checking of leakages in our processes. We have also implemented rain water harvesting systems in our plants, which has proven beneficial in reducing our water usage costs and as back up water supply in times of water shortages.

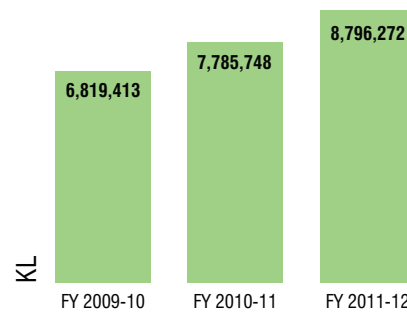
The total water withdrawn by our plants in the reporting year was 8,796,272 KL. The average water withdrawn per vehicle produced was 9.87 KL, a decrease of 8.71% over last year. Municipal water remained our main source of

water, while rain water consumption increased from 498,562 KL in 2010-11 to 513,442 KL in 2011-12.

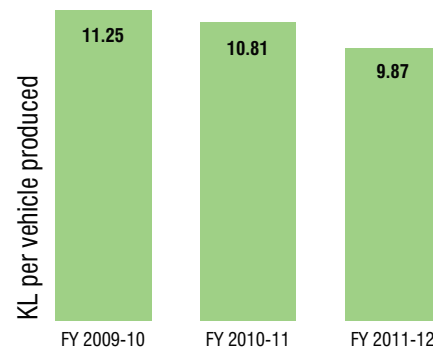
An elaborate rainwater harvesting facility with a capacity of approximately 1.4 million KL/annum is under implementation in our Lucknow plant. This will recharge more ground water than that withdrawn (approximately 0.9 million KL/annum). Construction of percolation pits, dug wells, bore wells, recharge basins and recharge wells is complete. A water footprint study has been initiated in Lucknow and Pune plants, as part of a Tata Group initiative on water footprinting. Our plants recycled 1,450,140 KL of water, representing 16.49% of water withdrawn.

Lucknow and Sanand plants are zero discharge plants and we plan to make our Jamshedpur and Pantnagar plants zero discharge plants. We have a reverse osmosis plant at Pantnagar, where we treat effluent and reuse it in the paint shop. The treated effluent from Jamshedpur, Pune and Pantnagar are discharged into local water bodies in accordance with the consent to operate conditions prescribed by Pollution Control Boards. The total waste water discharged from our manufacturing locations was 872,345 KL.

Total water withdrawal



Water withdrawn per vehicle produced



²⁰ Sludge includes paint sludge, phosphating sludge, grinding sludge, salt bath sludge, etp sludge, chromium hydroxide sludge

²¹ Note: density of used oil assumed to be 0.9

²² Includes cotton rags, scrap oil filters, oil soaked saw dust

²³ Includes solid hazardous waste like containers of acid, scrap asbestos, glasswool etc.

²⁴ Includes liquid hazardous waste like spent coolants, waste thinner etc.

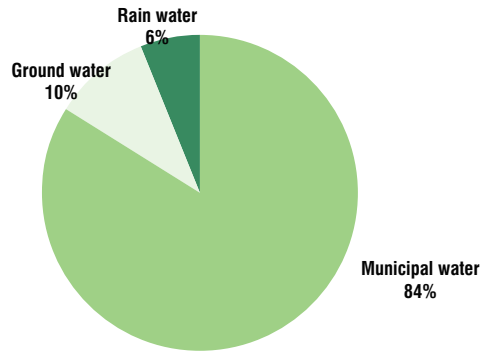
²⁵ Includes steel containers of paint and oil

²⁶ As we enhance our reporting systems, we were able to capture and report the non-hazardous waste disposed from our Sanand plant in FY 2010-11 leading to re-statement of non-hazardous waste values reported for FY 2010-11 in our Corporate Sustainability Report 2010-11

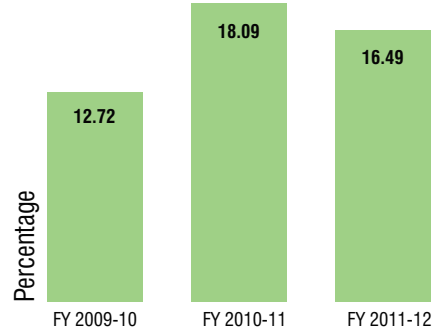
²⁷ Includes cartons, jute bags, wood waste, rubber waste, canteen waste, sand etc

²⁸ As we enhance our reporting systems, we were able to capture and report other non-hazardous waste in numbers which primarily contains used plastic and iron drums

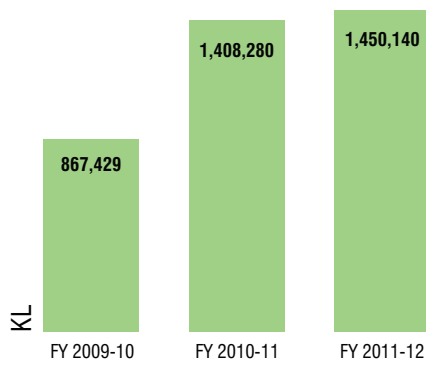
Source of water withdrawn in FY 2011-12



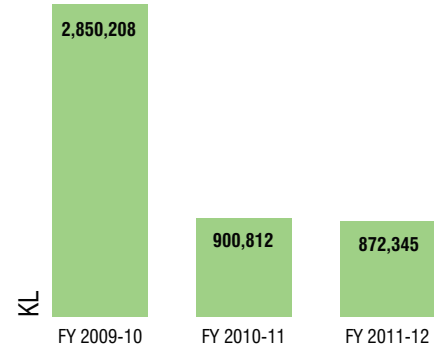
Percentage of water withdrawn that is recycled/reused



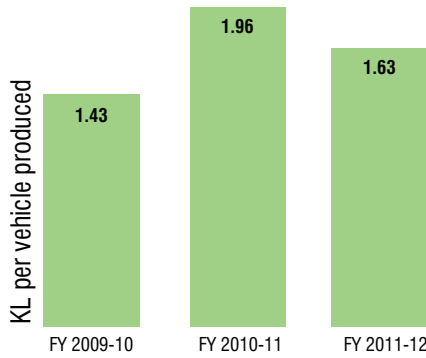
Total water recycled or reused



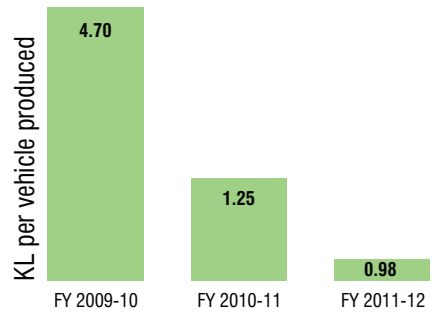
Waste water discharged



Total water recycled or reused per vehicle produced



Waste water discharged per vehicle produced





Biodiversity Management

Our Pune and Jamshedpur plants stand testimony to our commitment to enhance the biodiversity value of the area where we operate. Our project planning includes prudent water management and green belt development.

Recently, a study was carried out by Ela Foundation, Pune, on the biodiversity in our Pune plant. The report mentioned that our plant's biodiversity conservation efforts were laudable for the variety and number of trees and birds we are home to.

Out of the total 1000 acres of land owned by Tata Motors, the factory is built over 600 acres. The remaining 400 acres is an employee residential zone with five fresh water lakes and a dense tree plantation of over 2 million trees.

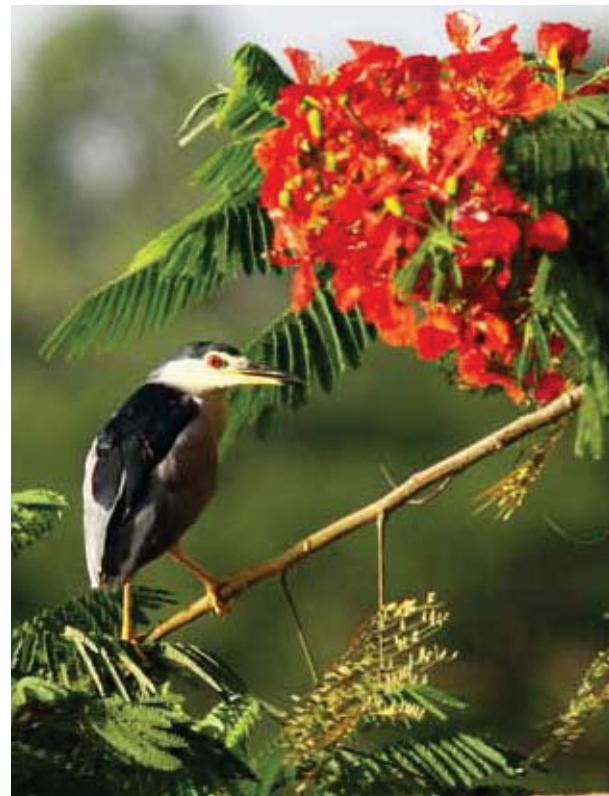
Today, after 50 years, the soil cover is thicker due to the action of roots and accumulated humus from fallen leaves; it retains soil moisture to support several herbs and grasses and importantly regenerates trees from fallen seeds. This can be attributed to our initial tree planting activities that began in 1965 with the inception of our manufacturing activities.

The nature conservation plan was conceived by our late Chairman Mr. Sumant Moolgaokar and in his memory the 25 acres lake is named as 'Sumant Sarovar'. There are established endemic and threatened species of trees, along with mammals, birds, reptiles, fishes, amphibians, insects, arachnids, crustaceans, mollusks, and several micro-faunal elements of zooplanktons and phytoplankton's in the lake waters. Threatened species of birds, the Painted Storks are successfully breeding under

our protection. Pisciculture was promoted in the lake where a population of the mighty Mahaseer thrives well in protection. We also provide valuable space for re-plantation of important species of trees uprooted during various infrastructure development activities elsewhere. Within our premises 371 wild species were recorded during the initial surveys in 2012. The estimated total population of birds at one time was 950 to 1,000.

The various taxa and number of species for each taxon are as follows:

TAXON	NUMBER OF SPECIES
Trees	152
Mammals	2
Birds	119
Fish	15
Amphibians	3
Reptiles	4
Molluscs	3
Crustaceans	2
Arachnids	1
Butterflies	43
Odonates	10
Planktons	
Ostracods	4
Rotifers	7
Cladocerans	6
Total	371





***WORKFORCE
MANAGEMENT***

WORKFORCE MANAGEMENT

We have a firm belief in the potential of our employees and we nurture this through employee engagement activities that hone their skills, make them better leaders and inculcate a deep sense of pride in working for us. We engage with them regularly in a two way process, gauging their satisfaction levels, addressing grievances and other critical issues and work with them to develop plans that will help improve their work life.

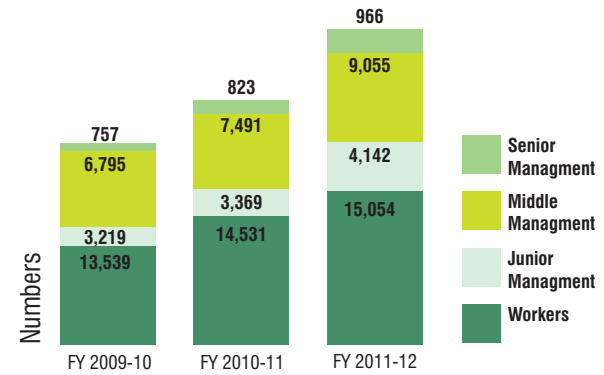
With the growth in the automotive industry and technological upgradations, there is an increased requirement of highly skilled and qualified professionals. We have set forth a plan for attracting and retaining talent. We encourage a holistic approach to learning and development through our well established training facilities and approaches. We proactively manage the needs of the temporary workforce by providing them a safe work environment and regularizing them as and when the opportunity arises.

Our permanent workforce headcount at the end of FY 2011-12 has increased to 29,217 from 26,214 over the previous year. We have responsible hiring policies that place focus on inducting people from local communities into our plant. We preferably hire our worker cadre employees from areas surrounding our plant sites in accordance with state laws on local hiring. Our management employees are hired solely on merit. During the year, we hired 4,152 male and 245 female permanent employees, of which 620 male and 36 female employees left²⁹ the company in the same year.

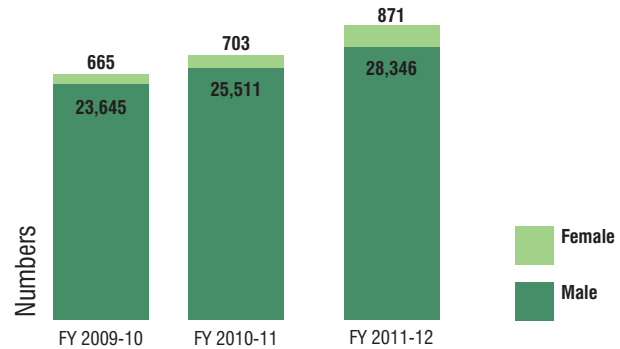
We employ a large number of temporary and contractual workers³⁰ and strongly believe in working closely with the contractors in order to ensure that utmost care and precautions are taken on site to prevent any mishaps. We ensure that all our contractual workers are well equipped and well trained thereby ensuring an efficient workforce. We abide by all the laws regarding wage payments and are transparent in our communication with unions. The workers cadre, representing 51.5% of the permanent workforce, is eligible for collective bargaining through unions.



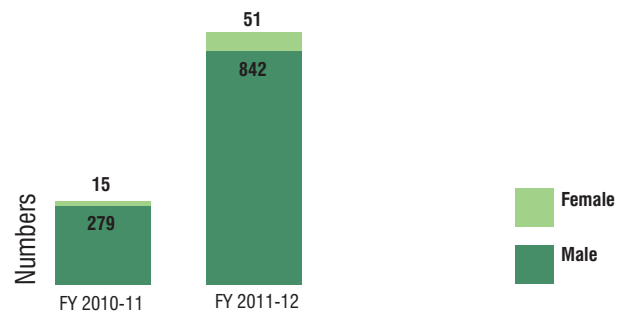
Permanent workforce profile by cadre



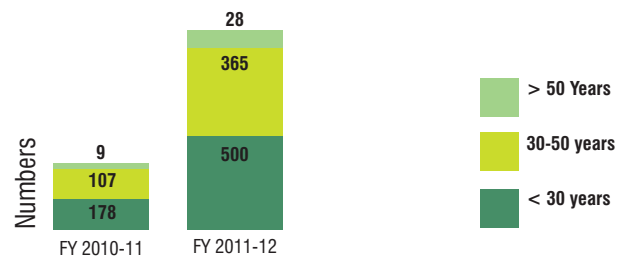
Permanent workforce profile by gender



Permanent workforce turnover by gender

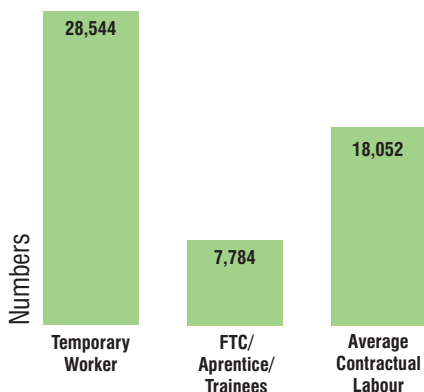


Permanent workforce turnover by age



²⁹ The age-wise profile of employee turnover was comprehensively captured from 2010-11 and hence started reporting from 2010-11
³⁰ The average contractual labour report is for calendar year 2011

Temporary workforce profile 2011-12



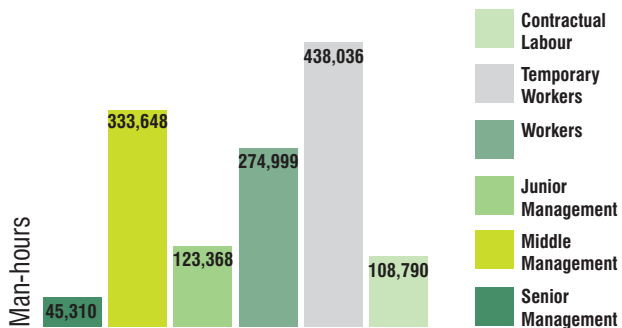
We have stringent checks for child labour and forced labour and all our security personnel have been trained to ensure no underage workers enter the plant premises. We also provide information on this to our contractors prohibiting them to employ underage workers. For any operation we ensure that those employed by us are over 18 years of age. The only exceptions to this are those who are part of government approved apprenticeship schemes and internships.

All our security personnel are trained on TCoC including human rights aspects before they begin their duties as part of their induction procedure; a process managed by the Industrial Relations (IR) department and activities under SA 8000. We have a Human Rights policy that prescribes to the definitions of the International Labour Organization (ILO). In addition all our employees are trained in anti-corruption policies and procedures as per the TCoC.

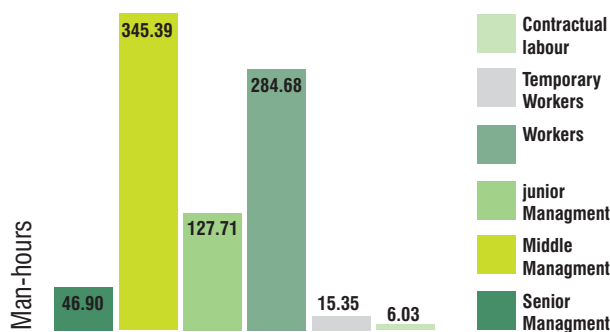
We are an equal opportunity employer and recruit people from across the country with diverse ideas, cultures and approaches. We also use multiple recruitment channels including campus recruitments. The ACNielsen Campus Track Study showed that Tata Motors occupies the 5th position in the list of 'Dream Recruiters'. Tata Motors was also ranked 7th amongst the top 15 companies visiting the top 25 business schools in India.

Employee training and development is crucial for their growth and for the growth of the organization. We wish to improve their abilities, their competencies and their

Total man-hours of training 2011-12



Average man-hours of training 2011-12



capabilities by engaging them in meaningful training and development activities. Our trainings are tailored to the requirements and specifications of different levels and different areas of operation.

Gallup Q12 tool is an employee perception survey that we use to map employee satisfaction levels across all operations. This survey questionnaire is reviewed and revised depending on feedback received through this engagement process, exit interviews and focus group meetings. This survey is done on an annual basis for all our management level employees and on sample basis for others. The results of this survey prompted us to change our performance management system. The satisfaction levels of temporary workforce are gauged through a separate survey administered by the IR team. The employee satisfaction rates for salaried employees assessed through Employee Engagement Survey rose to an all-time high of 65%, from 57% previous year.



We continuously capture the ideas of our employees through suggestion schemes, SDT formations, Kaizen and implementations, open house contests such as “Innovision”, “Innovista” and CFT formations across the organization. These schemes have proved to be highly effective resulting in savings of INR 376 million.

We have improved our learning and development tools to foster a performance oriented culture. Performance Assessment and Coaching Tool (PACT) has been developed with feedback from a number of employees across the organization and is a positive improvement on the existing system. The implementation of PACT will ensure that employees’ efforts are aligned to our strategy. This is applicable to all employees from the supervisory grade onwards. PACT as a philosophy encourages managers to provide continuous feedback in a timely and appropriate manner on performance and behavioural dimensions. This review is directly linked to compensation related decisions. We follow an annual salary revision cycle and outputs from PACT such as individual ratings, company performance and promotion recommendations are used to decide employee salary revisions. During the year, 100% of eligible employees received performance feedback as per Company policies.

People policies and practices are reviewed in order to provide benefits and schemes that are catered to individual needs in line with our changing workforce and are best in class to ensure our long term viability. We provide a myriad of benefits to our employees starting from their first day to well after retirement. These benefits include gratuity, superannuation, Bhavishya Kalyan Yojana (BKY), post retirement medicare scheme, provident fund and compensated absences. We have crèche facilities as well as superannuation allowance that help cater to the

needs of a diverse workforce. Every year we have a number of employees who have completed their service with the organization and we provide them training to prepare them for the challenges and opportunities that arise after retirement. In FY 2010-11, 31 female employees took maternity leave and all of them re-joined at the end of their maternity leave and were on our rolls at the end of FY 2011-12.

	2010-11	2011-12
Defined benefit plan obligation	6.07	6.53
Defined contribution plan	1.45	1.65

Figures in billion Indian rupees

A referral program ‘Friend++’ is a part of our evolution and improvement of talent acquisition process which has been revamped this year. We also established ‘Opportunities++’ program where internal job openings are posted on the intranet. Employees get preference in taking up challenging roles in the organisation.

This year we introduced employee bus service in Jamshedpur with a view to provide safe and reliable transportation to our employees. This service currently covers the entire township but is planned to cover other parts of Jamshedpur city as well. This ensures timely service and employee safety and also reduces the carbon footprint related to our employees travel.

The PCBU unit launched a Sales Training Academy, an initiative to establish a comprehensive learning and delivery management solution for personnel in our dealerships. We engaged around 40 external trainers with rich experience of direct sales and training from diverse industries like telecom, auto and ITES.





***OCCUPATIONAL
HEALTH AND
SAFETY***

We are committed to provide a safe and healthy working environment for our employees. To this effect we have implemented a company-wide occupational health and safety policy in order to ensure increased vigilance and awareness on health and safety. This policy is important in ensuring all our employees are well versed with the safety requirements. We conduct regular assessments and identify gaps in implementation, helping us achieve our objective of preventing injuries and occupational diseases. All our plants are OHSAS 18001:2007 certified.

Across our plant locations we have a dedicated team for safety and health that is instrumental in developing safer work procedures. Our standard operating procedures inculcate safety rules and procedures ensuring their awareness and compliance at all levels. Every task undertaken at the site has its own set of safety hazards and hence specific safety procedures for these have been developed.

Our entry system into the plant has procedure checks in place to ensure all the workers entering the premises are medically fit for work. Our employees undergo medical checkups at the time of joining and again at regular intervals. As per safety requirements, all workers undertaking hazardous work get health checkups biannually. We have medical centres across all plant locations and external tie-ups with hospitals. Regular programs for assessing the health of our management and non-management employees for chronic diseases like diabetes and cardiac problems are organised. Programs are also conducted for families of employees on health awareness and management.

All observations and incidents related to safety and health are dealt in a speedy manner with the involvement of the top management. We have in place a steering committee headed by the Managing Director that addresses issues related to safety, health and environment on a monthly basis. In addition to this, we have a divisional safety council structure comprising of the divisional head, safety steward, maintenance and production representative, medical officer and safety officer from the plant safety department. We believe in open communication in all regards and provide platforms for workmen to voice their opinions and concerns with regards to safety while providing preventive training. All our employees are represented in formal joint management – worker safety committees with equal representation from management and non-management employees. The contract workforce is also represented through contractor safety committees

/ charters established at plants. In order to inculcate the safety culture within our contractor community, we have contractor safety management systems at our plants. In addition to these, we also ensure that safety performance is considered while selecting service providers. Some features of these contractor safety management systems at plants include:

- Distribution of contractor safety guidelines along with work orders
- Obtaining a declaration from the contractor as per requirements of the safety department (list of equipments, certifications, list of employees and their medical records etc.)
- Compulsory safety induction training for all contractors before commencing work inside the factory premises
- Implementation of personal protective equipment (PPE) clause in the contractors work order
- Submission of safety report (in prescribed format) by all contractors by second of every month.
- Regular work related safety trainings to contract workmen
- Regular inspection and audit of contractor work area
- Review of safety performance on a common platform (Contractor Safety Meet)
- Evaluation of contractors based on their safety initiatives and rewarding near miss reporting and incident free workdays

This year, in order to further improve our safety standards, we engaged with DuPont for a 3 year period in CVBU plants and with British Safety Council for PCBU plants. We conducted a safety assessment and diagnostic study involving a survey on safety perceptions, interviews with leaders from various plant locations and a site visit by the DuPont team. The purpose of this engagement is to achieve safety excellence and transform our safety culture in a defined time frame. As part of this initiative, we have taken the following steps:

1. EG's at all locations have been trained on 'Leading Safety Efforts' and safety professional have been trained on 'Safety Pro' module tailor made for them.
2. Corporate sub-committees were formed to facilitate key initiatives on safety. The SHE council meets every month, where senior leadership review the progress

made and quarterly reports of the same are shared with the MANCOM

3. The following five point approach has been developed: safety observation; standards and procedures; training and capability building; incident investigation and contractor safety management
4. Skills building in our safety observation process and incident investigation has been executed rigorously through training, coaching and hand holding
5. Ten key safety standards and procedures have been identified on priority which would be common across all plants. Five priority standards and procedures will be implemented in Phase I and rest in Phase II.
6. Driving safety initiative under the "i-drive safe" encompasses Defensive Driving Training. This classroom training is followed by on the road practical assessment and all drivers are classified under low/no risk, medium risk and high risk. In this year, 2,295 people were trained in 113 sessions.

The Pantnagar plant was conferred with the prestigious 'Sword of Honour' by the British Safety Council, UK, a reflection of the high standards of health and safety performance and demonstration of safety leadership, in all phases of plant operations. The PCBU took safety management to the next level by aligning with British Safety Council Health & Standards and by achieving a 5 Star rating for Pantnagar, Pune and Sanand. We are the first Indian automotive company to receive this award.

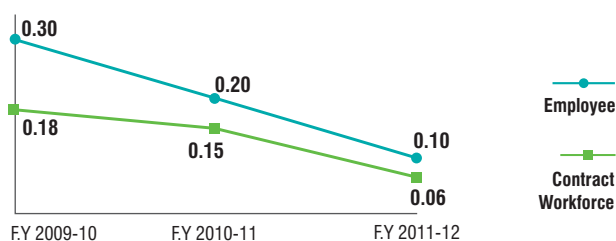
We have in place operations and validations to ensure workplace preparedness for disasters or emergencies, business continuity of operations and recovery. Across our plants, we have conducted 197 mock drills during the year. The plant operations/regional offices/area offices /country offices, stockyards and suppliers and dealers networks across the country and in some international locations have decentralized the risk of natural calamities and ensure business continuity for customers and



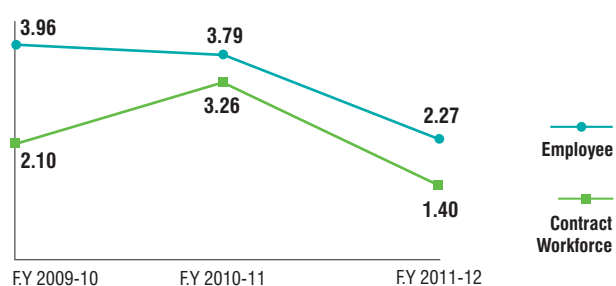
temporary redeployment options for employees. Continuity of operations is ensured in totality by the emergency preparedness and procedures at each location. We have also focused on increasing the safety of our offices, warehouses, dealers and RSO (Regional Sales Office). Safety norms for dealers, warehouses and offices are developed, safety audits are conducted and safety committees are formed in some of these establishments.

The continual efforts taken to improve health and safety standards are reflected in improved safety performance this year. The lost time injury rate and lost day rate have reduced both for our employees and contract labour. During the year, we had zero fatalities and lost time injury cases included one female contract workforce case resulting in 201 lost days.

Lost time injury rate



Lost day rate



Safety performance - employees

Units	2009-10	2010-11	2011-12
Lost time injuries ³¹ Nos.	145	113	67
Lost days ³² Nos.	1,931	2,179	1,564
Fatalities Nos.	0	0	0
Manhours worked Million Manhours	97.48	115.08	137.71

Safety performance - contract workforce

Units	2009-10	2010-11	2011-12
Lost time injuries ³¹ Nos.	22	25	15
Lost days ³² Nos.	295	579	332
Fatalities Nos.	3	1	0
Manhours worked Million Manhours	28.13	35.53	47.46

³¹ The lost time injury is reportable accident as per the Factories Act, 1948 of India. The lost time injury rate is calculated per 100 workforce for 50 working weeks of 40 hours each.

³² As per global reporting practices, we have reported lost day rate sans 6000 lost days per fatality as per IS:3786-1983 and have restated the values for earlier years. The lost day rate is calculated per 100 workforce for 50 working weeks of 40 hours each.

Product Safety

We have put in a lot of effort year-on-year to improve the safety of our vehicles (active and passive). We regularly meet all the safety regulations of the respective markets and go beyond the regulations to provide better products, for example - ACE has been designed to meet more stringent crash safety norms than those that are applicable to its class of products. There has been a continuous up gradation of product safety at our end through adoption of new technology. Tata Motors is the first Indian manufacturer to develop and introduce airbags in vehicles. We are still the only manufacturer in this country to have a dedicated crash test facility.

Our Engineering and Research Centre is equipped with state of the art facilities to address the issues of safety. It has a Crash Test facility, a Hemi Anechoic chamber for Noise Vibrations and Harshness (NVH) and an engine emission testing facility. These facilities enable development of products meeting safety and environmental regulations.

Our crash test facility was involved in the development of mine protected vehicles. A successful test of the vehicle structure was done at South Africa in FY 2011-12. Further, new facilities such as a shock tube and split Hopkinson bar were installed to understand various material properties which would help us build the simulation capability for defence vehicles. Occupant modelling has been introduced which would help us in developing energy absorbing interiors such as seats, seatbelts, dashboards, steering system etc.

Examples of special features used in our products to ensure customer safety include anti-skid braking systems; air bags; ergonomically designed seating systems with lumbar support; Euro IV compliant engines and non-CFC based vehicle air conditioners. An anti whiplash seat deployment was done in the Indica Vista.

We have successfully implemented lead free wheel balance weights, lead free printing inks, lead free bulbs, alternate designs/coatings for hard chromium plating, cadmium plating, lead free coatings for fuel tanks, lead free carbon brushes for electrical motors etc. Asbestos free brake pads and clutches have been introduced in all of our products. Work is under progress for reducing/eliminating hexavalent chromium for corrosion preventive coatings along with development and implementation of lead-free bearing shells and bushes. We have obtained Homologation certificates for export markets from authorized test agencies and labelling for identification of parts is compliant with EEC directives. This directive bans the use of hazardous heavy metals – lead, hexavalent-chromium, mercury and cadmium.

We have been proactive in complying with regulatory requirements pertaining to emissions, safety, product labelling and other clauses of the Central Motor Vehicle Rules of India and Bureau of Indian Standards. Information about our products has to be disclosed as per Bureau of Indian Standards. The product and service information including vehicle stickers and manuals are in compliance with all the standards that govern us, based on the laws of the land where we sell our vehicles.

We adhere to Advertising Standards Council of India (ASCI) code for marketing related communication and our policy on advertising promotes responsible advertising based on only justifiable or proven facts. We have not received any sanctions or financial penalties for violation of regulatory norms on aspects of health and safety impacts of products and services; product and service information and labelling; marketing communications including advertising, promotion, and sponsorship; and provision and use of products and services. We also conduct, on product-to-product basis, voluntary product upgrade drives to provide customers with upgraded components.





***SUPPLY CHAIN
MANAGEMENT***

SUPPLY CHAIN MANAGEMENT

In managing a complex supply chain, we have developed close relationships with both direct and indirect suppliers. We continue to develop long-term strategic relationships with suppliers to support the development of parts, technology and production facilities. In order to improve the performance of our suppliers, we use a Vendor Management System across all locations. This system includes processes for enlisting new vendors, developing new products, early vendor integration, material scheduling, procurement and logistics, monitoring and improving vendor performance, make versus buy decision making and integrated cost reduction strategies.

We have mapped the carbon footprint of all our tier 1 suppliers (360) and have officially communicated an appeal to them to introduce targets for reducing their carbon emissions year on year. We extend our help by proactively suggesting best practices and highlighting case studies including energy conservation (192 so far) on our website for suppliers. The TCoC is extended to all our suppliers and they are expected to conduct their business in accordance with the Code. Awareness on the TCoC is also created through vendor meets. At our Jamshedpur and Pune plants, supplier awareness and assessments are also conducted as part of SA8000 management system.

We select vendors on the basis of “New Supplier Selection Process” in which an in depth CFT audit and verification of vendor’s capabilities is conducted. The CFT audit includes assessment on TCoC clauses which include safety, child labour, forced labour and human rights aspects. We hold regular meetings with our vendors and suppliers in order to help them understand our growth plans and our expectations from them. We hold plant level monthly vendor communication meetings which focus on the following month’s production plans. We also use this as a platform to understand and resolve vendor’s expectations, needs and requirements. A yearly vendor meet is held which has participants from top strategic suppliers and senior management at Tata Motors. In this forum we highlight our achievements and future challenges and felicitate vendors that have shown exceptional performance.

We have in place a Vendor Council for which we have a steering committee that has 36 members with equal representation from vendors and TML senior leadership. It comprises of 4 sub-committees – quality, technology, efficiency and relationship which meet on a quarterly basis to discuss issues and concerns. This has enhanced our evaluation process as well as improved the performance of the vendors.

All our new plants have been built with vendor parks (Pantnagar, Sanand and Lucknow) which are situated close to the plants thereby improving supplier relations as well as resolving logistics issues. This has helped us cut down our

carbon footprint arising from transportation of parts and reduce our packaging requirements as well. In the reporting period, our manufacturing plants sourced approximately 57.69 % of materials and services from vendors within their state of operations.

cFolders for Design and quality in Tata Motors:

To address the need of sharing key data real time with suppliers, Tata Motors has implemented SAP’s Collaboration Folders (cFolders). It is a flexible, full-featured collaboration tool for sharing data easily and quickly among internal and external groups, with minimal implementation effort and user training. It is a web based platform which enables all collaboration participants to work together as virtual teams.

Every supplier account manager will now be able to collaborate with all the vendors he is authorized to deal with, independently and exclusively. Supplier account managers as well as vendors have a facility to subscribe to email notifications on new uploads/updates on existing drawings/documents. Vendors also have their own view area to read and download content by Tata Motors and have their own structured work area to edit and upload their deliverables.

Evaluating Supplier Performance

We provide quarterly vendor ratings to our suppliers based on the quality, cost and delivery of their products and this is communicated to all those concerned. We also conduct regular audits to check the performance of our vendors as well as their quality compliance and improvements. Suppliers with higher ratings are considered for new developments as well as a higher share of business.

Daily rejection and booking in SAP, rework and delivery data are captured to give an early indication of a supplier’s performance which may be subjected to further investigations and improvement suggestions. We have in place financial penalties and in some extreme cases even reduce the share of business or move to another supplier. However we aim to increase support to our suppliers in most cases by increasing training, providing feedback on performance, deputing experts and providing tools/aids. We also involve our key suppliers in customer feedback discussions as well as warranty related issues.

Green Drive

Our CVBU business has published a book called Green Drive in order to inculcate sustainability in our dealers so that their growth is combined with environmentally friendly practices. This book puts forth number of eco-friendly initiatives in order to encourage the dealers to adopt green practices. We have supported in developing the Bilaspur, Hassan and Dosarka workshops as model workshops in terms of sustainability.



***COMMUNITY
DEVELOPMENT***

COMMUNITY DEVELOPMENT

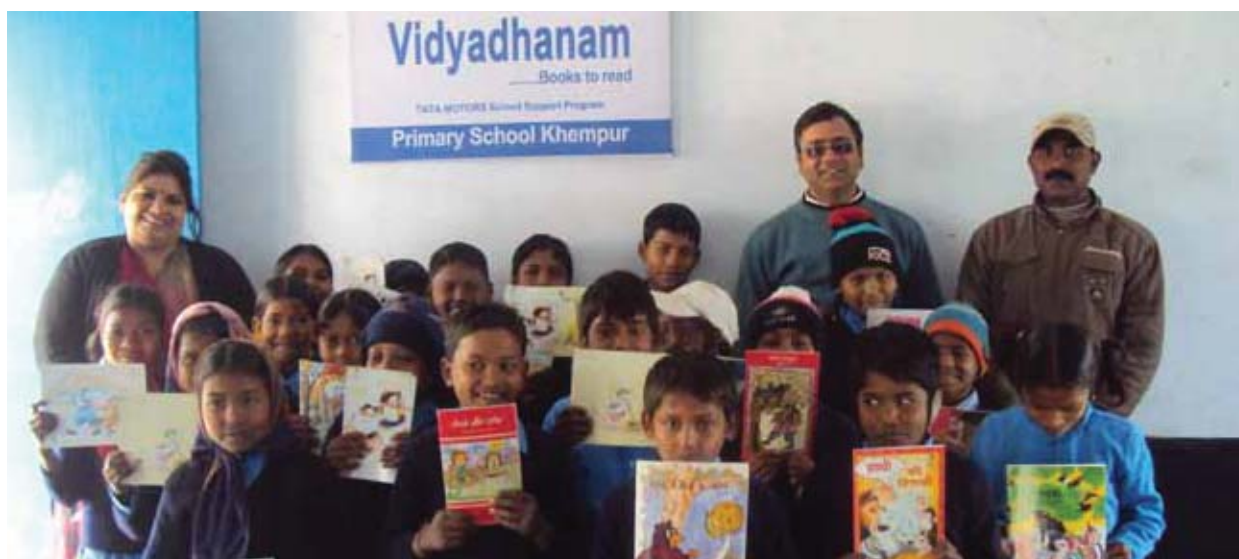
We have a rich legacy of social development, taking care of our stakeholders and protecting the interests of communities. Our community development agenda reflects our ideals, our passion and our inherent belief in the improvement of people through opportunities for growth. The Executive Committee of our Board formed a Corporate Social Responsibility (CSR) Committee in January 2006, comprising the Managing Director and the Senior Management which meets from time to time to oversee the social activities of the organisation.

Community needs are assessed on periodic basis to identify the key areas for our interventions. The areas that we focus on are enhancing employability, conserving the environment, promoting healthcare and imparting education. As part of our ongoing exercise to improve the quality of our community development work we have rebranded our key thrust areas: Education as 'Vidyadhanam', Health as 'Arogya', Employability as 'Kaushalya' and Environment as 'Vasundhara'. The volunteering initiative of the employees was tagged as 'Seva'.

We undertake impact assessment studies to understand the effectiveness of our initiatives and have regular reviews as per the Tata CS Protocol. During our community engagement programs and assessments, we have not witnessed any negative impacts on the community due to our presence in the area. Our community interventions aim to solicit active participation from local communities, administration and NGOs. Towards this end, we have formed meaningful partnerships with local authorities, institutions and on-profit organisations that help us establish programs that have a lasting impact.

Thrust Area	Objectives
Vidyadhanam (Education)	<ul style="list-style-type: none"> To promote holistic education of school children through improvement in the quality of education, infrastructure development at the primary and secondary school level.
Arogya (Health)	<ul style="list-style-type: none"> To improve overall health of families, with special focus on maternal and child health care, through prevention and curative health services; Provide access to safe drinking water; Provide access to sanitation facilities in schools & communities.
Kaushalya employment (Employability)	<ul style="list-style-type: none"> To create opportunities of and self-employment through skill building and income generation activities;
Vasundhara (Environment)	<ul style="list-style-type: none"> To enhance the green cover in the region through extensive tree plantation; To create sustainable water supply sources and to promote alternative sources of energy.





This year, we have invested a total of INR 152.09 million towards community development initiatives. This includes a contribution of INR 9.28 million from Sumant Mulgaonkar Development Foundation (SMDF) towards Amrutdhara project, that is raised through equal contributions from our employees and the Company.

Vidyadhanam

Our *Vidyadhanam* initiatives focus on facilitating quality education in the schools in our project areas. We support them through infrastructure development, training for students and teachers, extracurricular activities and inter/intra-school competitions. These interventions have helped shape the schools, improve competition amongst students, help deliver technology to deserving schools, provide assistance to needy students and support extracurricular activities.

The Jamshedpur plant extends quality education service to the local community through school support programs, scholarship schemes, etc. Counselling services are provided to students who need emotional support to overcome distress. Through Shiksha Prasar Kendra program, we assist schools in multiple ways such as infrastructure development, financial assistance and managerial support.

At Jamshedpur plant, we also support Asha Kiran and START (Society for Technical Assistance and Remedial Teaching) institutions in the field of education. Children with special abilities learn the basic life skills at Asha Kiran School and are also encouraged to take part in academics and other co-curricular activities. START is an institution where adult students (18 and above) with special needs are taught skills and activities that will help them earn a dignified living for themselves and life skills like using facilities such as banks, post offices, shops, etc.

At Pune CVBU plant, we create and enhance infrastructure at schools in the project areas, skill building for both

teachers and students, and promoting students from marginalised sections of society through scholarships. These initiatives have benefitted over 3,700 students since inception and continue to create a meaningful positive impact on the lives of children residing in rural areas through effective, case based holistic approach.

At Lucknow, we assist in educational initiatives started by the Government and help improve infrastructure in Governmental schools by providing desks, benches, learning material and supporting in construction. During the year, we engaged around 1,700 students of 14 Government schools through various events like cultural events, sports week, drawing essay competition, quiz competition, inter-school visits etc. As part of our Joy of Giving Festival, in Lucknow, we supported the learning and development of 4 Governmental schools. This program was celebrated in the month of October 2011 and our employees donated materials like white boards, sports kits and school bags.

We have an innovative approach to education at our Pantnagar plant that helps encourage students to understand science and maths through experiments and group activities. A mobile science lab that teaches students through experiments along with a library and reading programme has been initiated. The mobile science lab proved effective in reaching out to around 1,500 students of middle and high schools located in hills with limited infrastructure.

At our Sanand plant, we have targeted 100% (139 students within age group of 6-14 years) mainstreaming of drop-out students in Sanand *taluka* and have established 14 drop-in centres across the villages in the *taluka* to cater to these students. We have conducted drawing and debate competitions to promote awareness on topics like conservation of nature. Sports competition at *taluka* level and drawing competition for differently-abled children were also conducted.

Key Vidhyadhanam initiatives	Outreach (2011-12)
Infrastructure and facility up- gradation	8,466
Teacher training	129
Co-curricular activities	4,195
Scholarships	891
Programs for differently-abled children	130
Adult literacy program	950
Total population covered	14,761

Arogya

At Jamshedpur, the health interventions conducted in collaboration with the Tata Group and the State Government have reduced mortality and morbidity due to common ailments. Over the years around 0.72 million people have benefitted through these interventions. We also address the serious problem of population growth by imparting awareness on small family norms and family planning. We collaborate with Parivar Kalyan Sansthan (PKS), a registered society, towards providing quality health services to the community in general health areas. Over 100 severely acute malnourished children aged less than 5 years from poor families were treated at malnutrition treatment centre developed in collaboration with UNICEF.

Nav Jagrat Manav Samaj (NJMS) is another registered society working in collaboration with Jamshedpur plant. It was established with the objective of identifying, treating and rehabilitating those affected by leprosy. Through this society we run awareness camps on leprosy, health, hygiene, nutrition and also survey school children for early signs of leprosy. We support old and invalid leprosy patients through our old age home at the Antyodaya Ashram through food and medical assistance. NJMS provides education support to the children of cured leprosy patients and more 300 children have benefitted



through this support. Patients who have been cured are given opportunities for self employment and rehabilitation giving them a chance to earn their livelihoods and integrate into society.

At Pune plant, curative health services are provided through mobile medical van visits in the villages. Preventive health services include providing drinking water solution set, construction of toilet blocks for sanitation, installation of smokeless *chula* and working closely with the ICDS for maternal and child health care. Pune CVBU has established 13 drinking water solution sets that helped in reducing the travel time of villagers from 3 kilometers to 250 meters to access water. SWaCH Co-operative is a wholly owned co-operative of self employed rag pickers /waste collectors and other urban poor. Pune PCBU conducted health checkup of SWaCH conservancy workers. In Pune, we conducted health check-ups for 2,390 students and 64 teachers this year.

We have a mobile village OPD van that has catered to over 11,766 patients till date. We regularly distribute calcium supplements to needy patients as well as check for respiratory and other ailments.

Our Lucknow plant has conducted health checkups in local schools where 723 children in 14 schools were covered. Through the mobile health clinic, women were taught about a balanced diet and it's importance for children in preventing malnutrition. We are actively involved in sanitation of the villages to help prevent water borne diseases and vector-borne diseases in Lucknow. Awareness on the harmful effects of tobacco was raised among youth and children.

The Pantnagar plant has undertaken a drinking water project under *Amrutdhara* initiative of SMDf. The project includes creation of infiltration wells in the rough mountainous terrain to an altitude of 6,000 ft of Uttarakhand, benefitting around 10,000 people across 20 villages.

As part of the health plans at Sanand, 360 severely malnourished children were treated to improve their

health. The plant has also developed low cost, durable, high quality, innovative model of household toilet that can be installed in less than four hours' time. Across 3 villages, 486 toilet blocks were installed. We also installed 15 reverse osmosis (RO) plants in order to provide the villagers with safe drinking water.

Key Arogya initiatives	Outreach (2011-12)
Health Care services provided to community	72,874
Health check-ups in schools	5,431
Health awareness programs	10,557
Sanitation Drive	4,098
Safe drinking water	32,889
Anaemia treatment to women	972
Malnutrition prevention	576
Eye-camp program	5,242
Malaria prevention program	1,659
Survey for leprosy detection	160,777
Total Population Covered	295,075

Kaushalya

To promote skill-based employment for youth Tata Motors collaborates with 112 Industrial Training Institutes (ITI) across 19 states under the Institute Management Committee (IMC) Model.

At Jamshedpur, we have helped increase farmer income through improved practices and multiple cropping and introduction of new crops like wheat and vegetables. We have made improvements in agricultural practices and

increased the number of people engaged in supplementary income generating practices such as the sale of pure honey, mushrooms, fish and vegetables. Farmers in local villages are provided with training on water management, rain water harvesting, irrigation, and mushroom cultivation, bee-keeping and other allied activities. Among women, we also encourage self help through inter lending and promotion of income of members leading to financial self reliance.

The Gram Vikas Kendra (GVK) at Jamshedpur plant is actively involved in promoting and creating new avenues through which villagers can earn a sustainable livelihood. The community development centres provide training on sewing, embroidery, beauty therapies, knitting and craft, helping women earn a livelihood. The *Mahila Sharan* has helped over 200 women earn a dignified living through activities such as cable wire harnessing, *chapatti* making and *ladoo* making which are then directly supplied to Tata Motors at Jamshedpur. Sixty women Self Help Groups (SHGs) have been formed to promote entrepreneurship and are then given training on managing accounts, linking them with banks and initiating and managing several enterprises. Twenty SHGs promoted by GVK are now self sufficient and are engaging themselves in several enterprises such as vegetable farming, public distribution system shops, etc.

The Pune plant focuses on various skill building and training programs for youth and women. Tata Motors Grihini Social Welfare Society, which employs more than 1000 women, achieved a significant milestone by crossing a turnover of INR 130 million. Pune PCBU plant has partnered with Government's program to create inter-farm roads in villages, *Panand Raste*. Through this unique project, we were able to connect 1,682.5 acres of farmland.



with a 47.5 km road benefitting 7 villages and 1875 farmers by improving access for farmers, the mobility of farm goods and produce and hence facilitating a better price. This road benefitted other stakeholders by creating new avenues for employment and helped ease the journey of children going to school.

We partner with Samaj Vikas Kendra (SVK) at Lucknow plant to deliver employability initiatives. The Jan Shikshan Sansthan at Lucknow plant trained 160 women from 8 different villages in various vocational courses. We assisted in the formation of 2 new self help groups comprising of 23 women and trained them in jute product making and *chikan* making. The self help groups sold jute products worth INR 0.25 million and *chikan* products worth INR 0.15 million during the year. Basic computer skill training was imparted to 35 rural youth. In partnership with Jan Shikshan Sansthan and Entrepreneurship Development Institute (EDI) a training programme was organized for village youth helping them choose a trade and establish their own unit in the same. This training was sponsored by State Bank of India Learning Centre and encompassed report writing, market surveys, industry visits and information on governmental schemes that can help young entrepreneurs succeed.

At Sanand, we conducted a skill building exercise for 465 youth of which 232 women were trained in animal management, dairy farming, sewing, tailoring, handicrafts, jute work, bag making, etc and 233 men were trained in welding, carpentry, bar-bending, scaffolding and plumbing. Our ACE/Magic program helped generate employment for over 15 youth. Six Automated Milk Collection System (AMC) and two Bulk Milk Chiller (BMC) plants were installed that benefits 400 families related with dairy profession.

Road Safety Through Drivers Training

Availability of skilled drivers to meet the industry demand is closely linked to our business growth. As the infrastructure improves in India, road safety still continues to be a key concern. To address these challenges and create employment opportunities to unemployed youth, we have developed a unique approach towards professional drivers training.

We have partnered with various agencies having diverse skill sets and expertise to deliver our 'Road Safety through Drivers Training' initiative. The driver training institutes will be established and operated by partner agencies. The partners could be skill development agencies, NGOs, existing driver training schools, dealers, transporters or individuals.

We support the driver training institutes by providing best-in-class training content and guiding the aspiring agencies to establish and run the institutes. We also provide assistance in networking with potential employers for gainful employment of trainees. Additionally, in order to promote road safety, the existing pool of commercial drivers would also be trained to inculcate defensive driving behaviour.

A total of six centres have been opened through different skill development partners across the country. Training has been provided to 276 novice candidates, of which 226 have been trained in LMV/LCV and 50 in HCV. Refresher training has been provided to 4880 HCV drivers attached to our subsidiary, TMLDC. Through this pioneering initiative, we aim to train 2 million youth over next ten years and thereafter a million every year through 1,600 such centres.





Key Kaushalya initiatives	Outreach (2011-12)
Technical and vocational training	2,101
Livelihood opportunity for rural women	340
Strengthening of community based institutions	4,263
Training & support of entrepreneurs	56
Total population covered	6,760

Vasundhara

The Gram Vikas Kendra at our Jamshedpur plant has adopted a comprehensive environment protection plan which has raised awareness for environmental protection and conservation and improved living conditions in the villages around Jamshedpur. In order to ensure the availability of irrigation water to farmers, to improve fishing and the recharging of ground water levels, an extensive rain water harvesting drive has been undertaken with more than 500 structures erected on farmer's agricultural land in the last five years. In partnership with Jal Nigam Department we helped install/repair 25 hand pumps across 18 villages. GVK also supports the creation of vermi composting pits helping farmers increase their yields through organic farming methods.

The social forestry program has improved wastelands where more than 20 million trees were planted. The National Environment Awareness Campaign (NEAC) of the Ministry of Environment and Forests, Govt. of India is a significant program pursued by GVK. For the 19th consecutive year, GVK has been made the Regional Resource Agency for

the entire state of Chhattisgarh for this program. GVK coordinates the entire campaign in the state by networking with 500 NGOs and educational institutions. Through this campaign, about 0.5 million people every year are made aware on environmental protection agenda. We partnered with panchayats across 23 villages and planted around 3,400 saplings at the commencement of the monsoon season in Lucknow and 5,000 in Pune. At Sanand, we planted 50,000 saplings in 112 primary schools and 18 secondary schools of Sanand taluka. We also undertook a conservation programme at Nalsarovar where 10,000 saplings were planted and a drip irrigation system was introduced.

We helped raise environmental awareness through World Environment Day celebrations partnering with local schools and panchayats. We helped build awareness amongst the villagers about the harmful effects of excessive use of plastic and encouraged them to make the area a 'Plastic Free Zone'. We installed litter bins to help in sanitation of the villages as well as put up informative signboards and posters. We did all this with the help of 150 employees who graciously helped execute this programme by volunteering.

Key Vasundhara initiatives	Outreach (2011-12)
No of trees planted	290,850
Conservation of natural resources - soil and water conservation	129
Population benefited through rain water harvesting structures	9,000
No. people sensitized on environment issues	15,595

Amrutdhara

Amrutdhara is a National Drinking Water Project launched through SMDF to provide safe drinking water to communities. The initiative started with a target of making 100 water-scarce villages self-sufficient in water supply. We adopt a customised approach of providing water solutions across regions taking into consideration the local factors such as rainfall, ground water table, water retention capacity of soil, rocky/stony land etc. The ground water table in Uttar Pradesh and Jharkhand states is very high whereas the same is considerably low in the state of Maharashtra. Therefore, Jamshedpur and Lucknow plants are providing bore wells in the nearby villages under *Amrutdhara* and Pune plants (CVBU & PCBU) are required to do excavation work for constructing open wells for storage / seepage.

Though the water table in and around Sanand plant is better, the water is not potable. Therefore, Sanand plant has installed RO systems in the selected villages to purify water and to make it potable. Pantnagar plant, being in a hilly region, has created infiltration wells in the rough mountainous terrain at an altitude of 6000 feet to provide water to the villagers. Considering the degree of difficulty of projects, the funding required for each plant also varies. The overall funding of the project is done by SMDF, which sources its funds from equal contribution of employees and the Company. Till date, we have covered 103 villages against a target of 130 villages³³. The overall employee

membership³⁴ for the project was 24,878 as on 31 March, 2012. The project is expected to benefit over a million people by providing access to safe drinking water.

Inclusive growth through Affirmative Action³⁵

We have adopted Tata Group Affirmative Action (AA) Policy towards inclusive growth of marginalised sections of society, the Scheduled Castes (SC) and Scheduled Tribes (ST). Our AA program focuses on 4Es – Education, Employment, Employability, and Entrepreneurship. AA initiatives are active at various levels in the company with bi-annual reviews conducted at the corporate level to set the direction and quarterly reviews conducted within AA committees at the plant level to ensure implementation. In addition to this, the AA agenda is well ingrained into the performance management system of employees.

Over 1200 men/women from SC/ST communities were trained in computers, motor mechanics, and carpentry, candle making and similar such skills that boost their employability. Nearly 250 farmers were trained in best agricultural practices. We partnered with 21 ITIs and over 733 SC/ST apprentices were trained across plant locations. Vidyadhanam scholarships have been distributed to 189 SC/ST students. Nearly 4000 students have benefitted from the school support program, coaching and school infrastructure development. Over 150 farmers were trained in bee keeping, mushroom cultivation and pisciculture. 4 SC/ST suppliers have been incorporated in the second tier supply chain.



³³ Includes our Dharwad plant and Mumbai Corporate office targets. Dharwad plant covered 5 villages and Mumbai Corporate office covered 2 villages till date.

³⁴ Employee membership is inclusive of Mumbai Corporate office and TMLD.

³⁵ The information provided on beneficiaries of AA initiatives is for the year 2010-11. We are comprehensively compiling the information for 2011-12 and will report the same in the next report.

INDEPENDENT ASSURANCE STATEMENT



Introduction

Det Norske Veritas AS ('DNV') has been commissioned by the management of Tata Motors Limited ('TML' or 'the Company') to carry out an assurance engagement on the Company's Corporate Sustainability Report 2011 - 12 ('the Report') in its printed format. This engagement focused on qualitative and quantitative information provided in the Report, and underlying management and reporting processes. The engagement was carried out against DNV Protocol for Verification of Sustainability Reporting (VeriSustain)¹ including verification of application level and adherence to principles of the Global Reporting Initiative Sustainability Reporting Guidelines 2011 (GRI G3.1).

This assurance statement is aimed at the readers of the Report. The Company is responsible for the collection, analysis, aggregation and presentation of information within the Report. DNV's responsibility in performing this work is to the management of the Company only and in accordance with terms of reference agreed with the Company. The assurance engagement is based on the assumption that the data and information provided to us is complete, sufficient and authentic. DNV disclaims any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this assurance statement.

Scope of Assurance

The scope of DNV's assurance engagement, as agreed upon with the Company included the verification of the content, focus and quality of the information on environment and social performance presented in the Report, covering the period April 2011 to March 2012. The assurance engagement included:

- Review of the policies, initiatives, practices and performance described in the Report as well as references made in the Report to the annual report;
- Review of the Report against the requirements of 'VeriSustain' with a moderate level of assurance;
- Evaluation of the adherence to the principles set out in the Global Reporting Initiative Sustainability Reporting Guidelines 2011 (GRI G3.1) and confirmation of the TML's declared Application Level;
- Review and assessment of the processes and tools for collecting, aggregating and reporting qualitative data inside the Report;
- Verification of the reliability of information and performance data as set forth in GRI G3.1 and presented in the Report;

Verification Methodology

This engagement was carried out during July and August 2012 by a multidisciplinary team of qualified and experienced DNV sustainability report assurance professionals. The Report has been evaluated against the principles of Materiality, Stakeholder Inclusiveness, Completeness, Responsiveness, Reliability and Neutrality, as set out in VeriSustain, and the GRI G3.1.

As part of our verification we visited the following operations in addition to the TML's office at Mumbai, India:

- Pimpri, Pune, Maharashtra, India.
- Pantnagar, Uttarakhand, India.
- Jamshedpur, Jharkhand, India.



During the assurance engagement, DNV has taken a risk-based approach, meaning that we concentrated our verification efforts more on the issues of high material relevance to TML's business and stakeholders. As part of the engagement we have reviewed the sustainability-related statements and assertions made in the Report and assessed the robustness of the underlying data management system, information flow and controls. For example, we have:

- Examined and reviewed documents, data and other information made available to DNV by the Company;
- Conducted in-person and on-line interviews with senior representatives, including data owners and decision-makers from different functions and locations of the Company;
- Performed sample-based checks of the processes for generating, gathering and managing the quantitative and qualitative data included in the Report;
- Reviewed the data management processes for completeness and reliability. This including assessments of methods, practices, tools and competence used in collection, aggregation and reporting of data as it is transferred and managed at different levels of the organisation.

Conclusions

In DNV's opinion, the Report is a fair representation of the Company's sustainability related strategies, management systems and performance. The Report, along with the referenced information in the annual report, meets the general content and quality requirements of the GRI G3.1, and DNV confirms that the GRI requirements for Application Level 'A+' have been met. We have evaluated the Report's adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement':

Materiality: Acceptable. The methodology of materiality determination has brought out issues of significance; the materiality determination process is based on an internal process of consultation of senior representatives from various functions across the company. The process could be strengthened by more specific framework to bring out sustainability issues that reflect short, medium and long term sustainability impacts on the Company.

Stakeholder Inclusiveness: Acceptable. The Company demonstrates engagements with key stakeholders through various channels. The engagement process needs to be further strengthened and documented to clearly bring out the concerns, needs and expectations expressed during engagement with key stakeholders i.e. company may evolve an issue based multi-stakeholder engagement process to fully map stakeholder expectations and needs of stakeholders.

Responsiveness: Acceptable. The Company has fairly responded to identified stakeholder concerns through its policies and management systems. To improve the responsiveness the report needs to bring out in a clearer way the key topics and concerns that have been raised through stakeholder engagement activity and how Company has responded through changes in its policies and system to address such concerns.

Completeness: Acceptable. Within the reporting boundary defined by the company, the report does not omit relevant information that would influence stakeholder assessments or decisions. It is evident that Company acknowledges the need for continuous improvement and is committed to expanding the reporting scope and boundary.

Reliability: Acceptable. Although no systematic or material errors have been detected, DNV has identified some manual discrepancies in data which have subsequently been corrected. The company is committed to continually improve its quality of data through adoption of structured data management system.

Neutrality: Good. The information contained in the Report is presented in a balanced and neutral tone. The emphasis on various topics in the report is proportionate to their relative materiality.



Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported back to the management of the Company. However, these do not affect our conclusions on the Report, and they are indeed generally consistent with the management objectives already in place.

- Fully report the key material aspects and performance indicators that are partially reported;
- Further strengthen the materiality determination process with specific inputs from production units and include the emerging global issues in automotive sector;
- Implement a process of continuous and systematic internal review and audit of sustainability data management system to further improve the reliability of reported data;
- Evolve the sustainability targets for the next reporting period and midterm objectives and goals (3-5 years) related to key sustainability parameters.

DNV's Independence

DNV states its independence and impartiality with regards to this engagement. DNV confirms that throughout the reporting period there were no services provided which could impair our independence and objectivity. DNV also maintained complete impartiality towards people interviewed during the assignment.

For Det Norske Veritas AS,

A handwritten signature in black ink that reads 'Nandkumar'.

Vadakepatth Nandkumar

Project Manager

Head, Sustainability and Business Excellence (South)

Det Norske Veritas AS, India

A handwritten signature in black ink that reads 'Federica Pagnuzzato'.

Pagnuzzato Federica

Reviewer

DNV Business Assurance, Italy

31 August 2012, Bangalore, India

GRI CONTENT INDEX

Contents	Page	GRI Reference	Remarks/Additional Information
About the Report	04	2.1, 3.1, 3.6, 3.13, 4.12	<p>3.2 – Our previous report was published for the year 2010-11. It can be accessed at http://www.tatamotors.com/sustainability/sustainability.php</p> <p>3.3 – Reporting cycle is annual</p> <p>3.6 - We have not reported on the subsidiaries and joint ventures over which we have no direct operational control.</p> <p>3.7 - The environmental performance reported does not include our office locations and three company owned service workshops in India. The economic performance, permanent workforce and defined benefit plan related information is reported for the entire company. Specific limitations (if any) pertaining the performance indicators reported have been detailed in the individual sections.</p> <p>3.8 –We have reported on the sustainability performance of the manufacturing operations where we have complete control over their systems and processes.</p> <p>3.9 - Relevant explanations have been provided in the individual section where necessary</p> <p>3.10 – Re-statements of information have been reported in the relevant sections</p> <p>3.11 – There is no significant change in the scope, boundary or measurement methods</p> <p>4.12 - We subscribe to the United Nations Global Compact and Millennium Development Goals</p>
Managing Director's Statement	06 - 08	1.1, 1.2, EC2	<p>1.2– Key impacts, risks and opportunities have been detailed in relevant sections. Please refer our Annual Report 2011-12 for this information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 86-97)</p>
Company Profile	10	2.2, 2.3, 2.5, 2.10, 4.8, DMA EC (Market Presence)	<p>2.2 - Please refer our Annual Report 2011-12 for complete list of our product range. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 14-15)</p> <p>2.3 - Please refer our Annual Report 2011-12 for list of our joint-ventures, subsidiaries and associate companies. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 146-147).</p> <p>2.5 - Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 16-17).</p> <p>2.6 - Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 115).</p> <p>2.7 - Our significant markets of exports include Africa (21 countries), Europe (4 countries), Latin America (1 country), Middle East (9 countries), SAARC region (6 countries) and ASEAN region (4 countries)</p>

			<p>Additional information can also be obtained at: http://www.tatamotors.com/know-us/company-profile.php Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 16, 70).</p> <p>2.8 - Aspects of scale are addressed in relevant sections of the report. Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 33, 36, 54, 56, 58, 79, 80, 83, 137) Details of employees are mentioned in the Workforce Management section.</p> <p>2.9 - Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 64, 115).</p> <p>SO8 - We have not paid any fines for non compliance with laws and regulations in the reporting period.</p> <p>4.8 – We also have a Climate Change policy and Environment Policy. Details of the same are mentioned in our previous report: http://www.tatamotors.com/sustainability/sustainability.php</p>
Corporate Governance	16 - 18	4.1, 4.2, 4.3, 4.9, 4.10, 4.13, DMA EN (Compliance), DMA HR (Investment & Procurement Practices, Non-discrimination, Assessment, Remediation), DMA SO (Corruption, Anti-competitive behaviour, Public policy, Compliance), HR3, HR4, HR10, SO2, SO3, SO5 (Partial), SO8.	<p>4.1 – Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 101-107).</p> <p>4.3 – We do not have any female directors on our Board of Directors.</p> <p>4.5 - Please refer our Annual Report 2011-12 for the information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (pages 105-106).</p> <p>4.6 - Please refer our Annual Report 2011-12 for the information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 98-99).</p> <p>4.7 - Please refer our Annual Report 2011-12 for the information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 109). Further information is available at: http://www.tatamotors.com/know-us/bod.php</p> <p>4.11 – Our Climate Change and Environment Management policies and practices adopt precautionary approach to anticipate and minimize environmental impacts through development of products which have lesser environmental impact and adopting industry best practices to reduce environmental impact of our manufacturing operations.</p> <p>LA13 - Details are available at: http://www.tatamotors.com/know-us/bod.php . Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 3-5, 102-109)</p> <p>SO4 – Actions are taken in response to corruption as per the Tata Code of Conduct. There have been no recorded incidents of corruption this year.</p> <p>SO6 - We have not made any financial contribution to any political party or politician.</p> <p>SO7 - There have been no legal actions against us for anti-competitive behaviour, anti-trust, and monopoly practices.</p>

Contents	Page	GRI Reference	Remarks/Additional Information
Material Issues	19 - 24	3.5, 4.4, 4.14, 4.15, 4.16, 4.17, EC2, DMA PR (Product & service labelling, Customer privacy), PR5, PR8	<p>4.4 - Please refer our Annual Report 2011-12 for the information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (pages 100-109).</p> <p>4.15 - We have a wide variety of stakeholders with varying needs. We engage with each of the stakeholders to address different issues and concerns as delineated in Stakeholder Engagement section</p>
Economic Performance	25 - 28	DMA EC (Economic Performance, Indirect Economic Impacts), EC1, EC2, EC9, DMA EN (Products & Services), EN6, EN26	<p>EC4 – We have not received any significant financial assistance from the government</p> <p>EC5 – We abide by all national regulations of wage payments and pay equal to or above minimum wage requirements at all our plants. The ratio of standard entry level wage to local minimum wage at all locations of operation is 1:1 for men and women employees.</p> <p>HR1 - All our investment agreements and contracts mandate adherence to the TCoC, which includes human rights clauses. There have been no significant investments made during the year.</p> <p>EN27 - We do not use any significant packaging materials for any of our vehicles.</p>
Energy and Climate Change	29 - 32	DMA EN (Energy, Emissions), EC2, EN3, EN4, EN5, EN7, EN16, EN18, EN19, EN20, EN21, EN22	<p>EC2 - Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 92,94)</p> <p>EN23 - There were no significant spills (spills greater than 159 litres-one barrel in a single occurrence of an incident) as a result of our operations in the reporting period.</p> <p>EN24 - We do not import or export any waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII.</p> <p>EN25 - No water body or habitat is significantly affected by our water discharge or runoff.</p> <p>EN29 - The most significant environmental impact of transporting products and materials, and members of the workforce is the associated air emissions. We are enhancing our capacities to capture this data. We aim to report this data by 2014.</p>
Environmental Stewardship	33 - 38	DMA EN (Materials, Water, Biodiversity, Effluents & Waste, Overall), EN1, EN2, EN8, EN10, EN14, EN30	<p>DMA EN (Transport) - The most significant environmental impact of transporting products and materials, and members of the workforce is the associated air emissions. We strive to reduce them by using cleaner CNG fuel, especially for employee commutation provided by us.</p> <p>EN9 - No water sources are significantly affected by our withdrawals</p> <p>EN11 – None of our operations are located close protected or reserved areas</p> <p>EN14 – While we do not have a specific policy for biodiversity, we do undertake initiatives to promote the same at all our locations of operations. Details of these initiatives have been detailed in our previous report accessible at: http://www.tatamotors.com/sustainability/pdf/GRI-09-10.pdf (page numbers 36 and 37)</p> <p>EN28 – There have been no significant fines or non-monetary sanctions imposed on us for non-compliance with environmental laws and regulations.</p> <p>EN12, EN13, EN15 – Not Applicable</p>

Contents	Page	GRI Reference	Remarks/Additional Information
Workforce Management	39 - 42	DMA LA (Employment, Labour/management relations, Training & Education, Diversity & Equal Opportunity), DMA HR (Freedom of association & collective bargaining, Child Labour, Prevention of forced and compulsory labour, Security practices), EC3, EC7, LA1, LA2, LA4, LA11, LA12, LA15, HR5 (Partial), HR6, HR7, HR8	<p>DMA LA (Equal remuneration for men and women) – We do not discriminate based on gender for salary and wage payments.</p> <p>DMA HR (Indigenous rights), HR9 - All our manufacturing locations except Jamshedpur are in designated industrial areas. At Jamshedpur, there have been no cases of violation of rights of Indigenous people.</p> <p>EC3 - Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 134-135, 163)</p> <p>LA3 - Please refer our Annual Report 2011-12 for additional information. It can be accessed through our corporate website at: http://www.tatamotors.com/investors/financials/financial-reports.php (page 134-135)</p> <p>LA5 – We abide by the Industrial Disputes Act, 1947 regarding notice period to be given before any operational change</p> <p>LA10 (Partial) - Currently, we do not comprehensively capture training man-hours gender wise. We aim to report this information by 2014.</p> <p>LA14 – Everything else being equal, the ratio of basic salary of men to women is 1:1</p> <p>LA15 – Currently, we do not have systems to monitor the return to work and retention rates after parental leave</p> <p>HR5 - Currently, we do not a formal assessment mechanism to identify risks to violation of right to exercise freedom of association and collective bargaining at our supplier. We support these rights through TCoC and awareness on TCoC is created among suppliers.</p> <p>HR11 – There were no cases filed related to human rights violations this year.</p>
Occupational Health and Safety	43 - 46	DMA LA (Occupational Health & Safety), LA6, LA7, LA8, DMA PR (Customer health & safety, Product & service labelling, Marketing communications, Compliance), PR1 (Partial), PR2, PR3, PR4, PR6, PR7, PR9	<p>LA7 - There have been no occupational disease cases recorded.</p> <p>LA9 – Our formal agreements with trade unions cover health and safety aspects as delineated by the Factories Act.</p> <p>PR1 (Partial) - A study has been done based on ELV rules for all vehicles to be exported to European markets. For more information, please refer to: http://www.tatamotors.com/sustainability/ELV/resource-sustainability.php</p>
Supply Chain Management	47 - 48	EC6, EN7 (Partial), HR6, HR7	<p>EN17 (Partial) - We are enhancing our capacities to monitor other relevant GHG emissions. Other scope 3 GHG emissions are not reported for 2011-12. We aim to report the same by 2014.</p> <p>HR2 - 100% our business partners sign the TCoC which mandates that they adhere to all laws related to human rights.</p>
Community Development	49 - 56	DMA SO (Local communities), EC8, EC9, LA8, SO1, SO9	<p>4.12 – We subscribe to the United Nations Global Compact</p> <p>SO1 - All our operations have implemented local community engagements and development programs</p> <p>SO10 – Not Applicable</p>
Independent Assurance Statement	57 - 59	3.13	
GRI Content Index	60 - 63	3.12	
UNGC COP Mapping	64 - 65		
NVG - SEE	66		
Glossary	67		
Back Cover	01	2.4, 3.4	

UNGC COP MAPPING

Area	Advanced Criteria	Page Reference
Strategy, Governance and Engagement	<p>Criterion 1: The COP describes key aspects of the company's high-level sustainability strategy in line with Global Compact principles</p>	<p>Details on our high-level sustainability strategy can found in Managing Director's Statement (Page 05 - 08) and Material Issues (Page 19 - 24) sections of the report.</p>
	<p>Criterion 2: The COP describes effective decision- making processes and systems of governance for corporate sustainability</p>	<p>Details on effective decision-making processes and systems of governance for corporate sustainability can be found in Corporate Governance (Page 15 - 18) section of the report.</p>
	<p>Criterion 3: The COP describes engagement with all important stakeholders</p>	<p>Details on engagement with all important stakeholders can be found in Material Issues (Page 19 - 24) section of the report.</p>
UN Goals and Issues	<p>Criterion 4: The COP describes actions taken in support of broader UN goals and issues</p>	<p>We have implemented Policy on Human Rights, Policy on Equal Opportunity and Non-Discrimination in Employment, Environmental Policy, Green Building Policy, Policy on Bribery and Corruption in support of broader UN goals and issues. Actions taken in support of broader UN goals and issues can be found in Corporate Governance (Page 15 - 18), Economic Performance (Page 25 - 28), Energy and Climate Change (Page 29 - 32), Environmental Stewardship (Page 33 - 38), Workforce Management (Page 39 - 42) and Community Development (Page 49 - 56) sections of the report.</p>
Human Rights Implementation	<p>Criterion 5: The COP describes robust commitments, strategies or policies in the area of human rights</p>	<p>We have implemented Policy on Human Rights, Policy on Equal Opportunity and Non-Discrimination in Employment, Environmental Policy, Green Building Policy, Policy on Bribery and Corruption in support of broader UN goals and issues. Actions taken in support of broader UN goals and issues can be found in Corporate Governance (Page 15 - 18), Economic Performance (Page 25 - 28), Energy and Climate Change (Page 29 - 32), Environmental Stewardship (Page 33 - 38), Workforce Management (Page 39 - 42) and Community Development (Page 49 - 56) sections of the report.</p>
	<p>Criterion 6: The COP describes effective management systems to integrate the human rights principles</p>	
	<p>Criterion 7: The COP describes effective monitoring and evaluation mechanisms of human rights integration</p>	
	<p>Criterion 8: The COP describes key outcomes of human rights integration</p>	
Labour Principles Implementation	<p>Criterion 9: The COP describes robust commitments, strategies or policies in the area of labour</p>	<p>Details on Labour Principles Implementation can be found in Corporate Governance (Page 15 - 18) and Workforce Management (Page 39 - 42) sections of the report.</p>
	<p>Criterion 10: The COP describes effective management systems to integrate the labour principles</p>	


Labour Principles Implementation	Criterion 11: The COP describes effective monitoring and evaluation mechanisms of labour principles integration	
	Criterion 12: The COP describes key outcomes of integration of the labour principles	
Environmental Stewardship implementation	Criterion 13: The COP describes robust commitments, strategies or policies in the area of environmental stewardship	Details on Environmental Stewardship Implementation can be found in Corporate Governance (Page 15 - 18), Economic Performance (Page 25 - 28), Energy and Climate Change (Page 29 - 32) and Environmental Stewardship (Page 33 - 38) sections of the report.
	Criterion 14: The COP describes effective management systems to integrate the environmental principles	
	Criterion 15: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	
	Criterion 16: The COP describes key outcomes of integration of the environmental principles	
Anti-corruption implementation	Criterion 17: The COP describes robust commitments, strategies or policies in the area of anti-corruption	Details on Environmental Stewardship Implementation can be found in Corporate Governance (Page 33 - 38) section of the report.
	Criterion 18: The COP describes effective management systems to integrate the anti-corruption principle	
	Criterion 19: The COP describes effective monitoring and evaluation mechanisms for the integration of anticorruption	
	Criterion 20: The COP describes key outcomes of integration of the anti-corruption principle	
Value chain implementation	Criterion 21: The COP describes implementation of the Global Compact principles in the value chain	Details on Value Chain Implementation can be found in Corporate Governance (Page 15 - 18), Material Issues (Page 19 - 24) and Supply Chain Management (Page 47 - 48) sections of the report.
Transparency and Verification	Criterion 22: The COP provides information on the company's profile and context of operation	Details on company's profile and context of operation can be found in Company Profile (Page 09 - 14) and Corporate Governance (Page 15 - 18) sections of the report.
	Criterion 23: The COP incorporates high standards of transparency and disclosure	This report uses GRI G3.1 Reporting Guidelines and conforms to GRI 'A+' Application level.
	Criterion 24: The COP is independently verified by a credible third party	This report is independently assured by M/s DNV.

ALIGNMENT TO NATIONAL VOLUNTARY GUIDELINES ON SOCIAL, ENVIRONMENTAL AND ECONOMIC RESPONSIBILITIES OF BUSINESS

Principle	Description	Page No.
Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	16 - 18
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	27, 28, 46
Principle 3	Businesses should promote the wellbeing of all employees	40 - 42
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	22 - 24
Principle 5	Businesses should respect and promote human rights	40 - 42
Principle 6	Business should respect, protect, and make efforts to restore the environment	30 - 38
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	17
Principle 8	Businesses should support inclusive growth and equitable development	50 - 56
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	22 - 24, 27, 28, 46

GLOSSARY

AA - Affirmative Action	LCV - Light Commercial Vehicle
ABCI - Association of Business Communicators of India	LDO – Light Diesel Oil
AGM - Annual General Meeting	LMV - Light Motor Vehicle
AIAM - Association of Indian Automobile Manufacturers	LPG – Liquefied Petroleum Gas
AIAF - All India Achiever s Forum	MANCOM - Management Committee
AMC - Automated Milk Collection	MCV – Medium Commercial Vehicle
ARAI - Automotive Research Association of India	M&HCV – Medium and Heavy Commercial Vehicle
ASCI - Advertising Standards Council of India	MT – Metric Tonne
ASEA - Australian Service Excellence Award	MTC - Malnutrition Treatment Centre
ASSOCHAM - The Associated Chambers of Commerce and Industry of India	MW – Mega Watt
ASU – Air Separation Unit	NADCA - North American Die Casting Association
BCCI - Bombay Chamber of Commerce and Industry	NEAC - National Environment Awareness Campaign
BKY - Bhavishya Kalyan Yojana	NEDO - New Energy and Industrial Technology Development Organisation
BMC - Bulk Milk Chiller	NG – Natural Gas
BS – Bharat Stage	NGO - Non Governmental Organization
BSC – British Safety Council	NJMS - Navjagrat Manav Samaj
CER – Certified Emission Reduction	NPI – New Product Introduction
CFC – Chlorofluorocarbon	NVH - Noise Vibrations and Harshness
cFolders - Collaboration Folders	OC - Operations Committee
CFT – Cross Functional Team	ODS – Ozone Depleting Substance
CII - Confederation of Indian Industry	OHSAS – Occupational Health and Safety Assessment Series
CIM - Corporate Image Monitor	PACT - Performance Assessment and Coaching Tool
CKD - Completely Knock down	PAT - Product Attribute Teams
CNG – Compressed Natural Gas	PCBU – Passenger Car Business Unit
CRM – Customer Relationship Management	PKS - Parivar Kalyan Sansthan
CS - Corporate Sustainability	PLC – Programmable Logic Controller
CSR - Corporate Social Responsibility	PM - Particulate matter
CSI – Customer Satisfaction Index	PP – Polypropylene
CVBU – Commercial Vehicles Business Unit	PPA – Power Purchase Agreement
DC – Direct Current	PPE - Personal protective equipment
DMS - Dealer Management System	QCCPC - Quality Control Circle Preliminary Competition
EEC - European Economic Committee	QFD – Quality Function Deployment
ELVs - End-of-Life Vehicles	RBI – Reserve Bank of India
EMS – Energy Management Systems	R&D – Research and Development
ENCON Energy Conservation Initiatives	REACH - Registration, Evaluation, Authorisation and Restriction of Chemicals
EPM - Enterprise Process Model	REEV – Range Extended Electric Vehicle
ETP – Effluent Treatment Plant	RO – Reverse Osmosis
EU - European Union	RSO - Regional Sales Office
EXCEED - Exceeding Customer Expectations through Enablement of Distribution Network	SAM - Severely Acute Malnourished
FO – Furnace Oil	SAP – Systems, Applications and Products
FY – Financial Year	SC - Scheduled Castes
GHG – Green House Gases	SDT -Self Directed Teams
GJ – Giga Joules	SHE – Safety, Health and Environment
Gm – Gram	SHGs - Self help Groups
GVK - Gram Vikas Kendra	SIAM - Society of Indian Automobile Manufacturers
HCV - Heavy Commercial Vehicle	SKD - Semi Knock Down Kits
HR – Human Resources	SMDF - Sumant Mulgaonkar Development Foundation
HSD – High Speed Diesel	SRM – Supplier Relationship Management
HVAC - Heating, Ventilation and Air Conditioning	ST - Scheduled Tribes
ICAI - Institute of Chartered Accountants of India	START - Society for Technical Assistance and Remedial Teaching
ICM – Integrated Cost Management	SVK - Samaj Vikas Kendra
I.C.P. - Inductively Coupled Plasma	TBEM – Tata Business Excellence Model
ICR - Integrated Cost Reduction	TCOC – Tata Code of Conduct
ILO - International Labour Organization	TML – Tata Motors Limited
IMC - Institute Management Committee	TMLDC – TML Distribution Company Limited
INR - Indian rupee	TS - Technical Specification
IPCC - Intergovernmental Panel on Climate Change	UK – United Kingdom
IR - Industrial Relations	UN – United Nations
ISO - International Organization for Standardization	UNICEF - United Nations Children's Fund
IT - Information Technology	UNFCCC - United Nations Framework Convention for Climate Change
ITI – Industrial Training Institute	UV - Utility Vehicle
KL – Kilo Litre	WACC - Weighted Average Cost of Capital
	WPI – Wholesale Price Index



At Tata Motors, we value our stakeholders, and their views are importance to us. Please send in your valuable feedback to:

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