

Corporate Governance

In order to enhance the quality of daily operations, inculcate a unique corporate culture that values innovative ideas, continuous improvements and nurtures a commitment to the environment, and build long standing relationships with the stakeholders to remain a trusted corporate citizen; we faithfully abide by the following statements:

Vision

- Delight our customers through innovative products, by utilizing advanced technologies and services
- Ensure growth to become a major player in the Indian auto industry and contribute to the Indian economy by involving all stakeholders
- Become the most admired and respected company in India by following the Toyota Way
- Be a core company in global Toyota operations

Mission

- Practice ethics and transparency in all our business operations
- Touch the heart of our customers by providing products and services of superior quality at a competitive price
- Cultivate a lean and flexible business model throughout the value chain by continuous improvement
- Lead the Toyota global operations for the emerging mass market

- Create a challenging workplace which promotes sense of pride, ownership, mutual trust and teamwork
- Create an eco-friendly company in harmony with nature and society

Through these activities establish superior brand image in India



Unveiling of Vision & Mission Statement

Mr. H Nakagawa
Managing Director, TKM

Mr. Vikram Kirloskar
Vice-Chairman, TKM

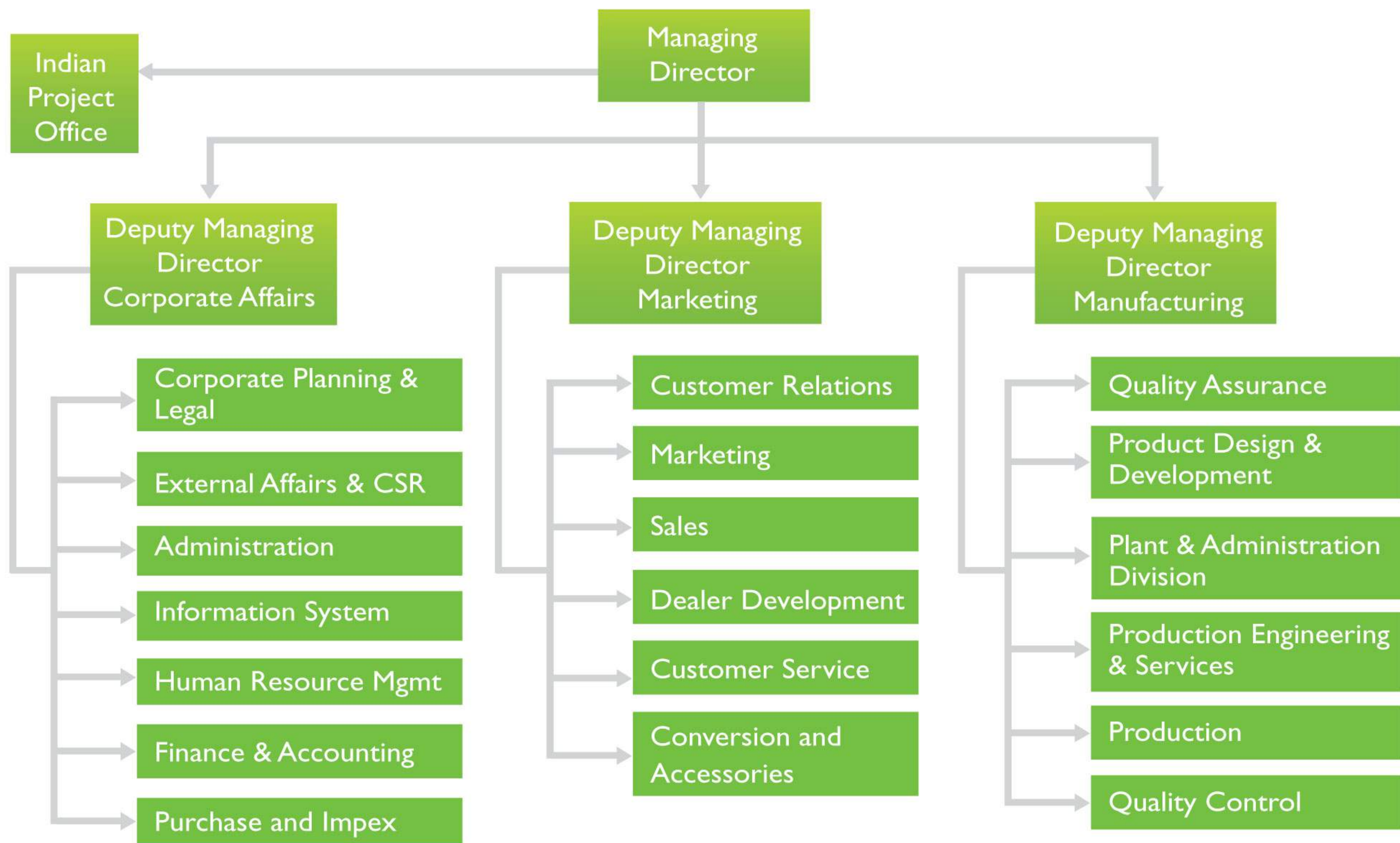
Ashok Sachdev
President, Toyota Dealer Council

Srivats Ram
President, Toyota Kirloskar Supplier's Association

TKM's Hierarchy:

Toyota Kirloskar Motor has a strong organization in order to take up environmental initiatives effectively and

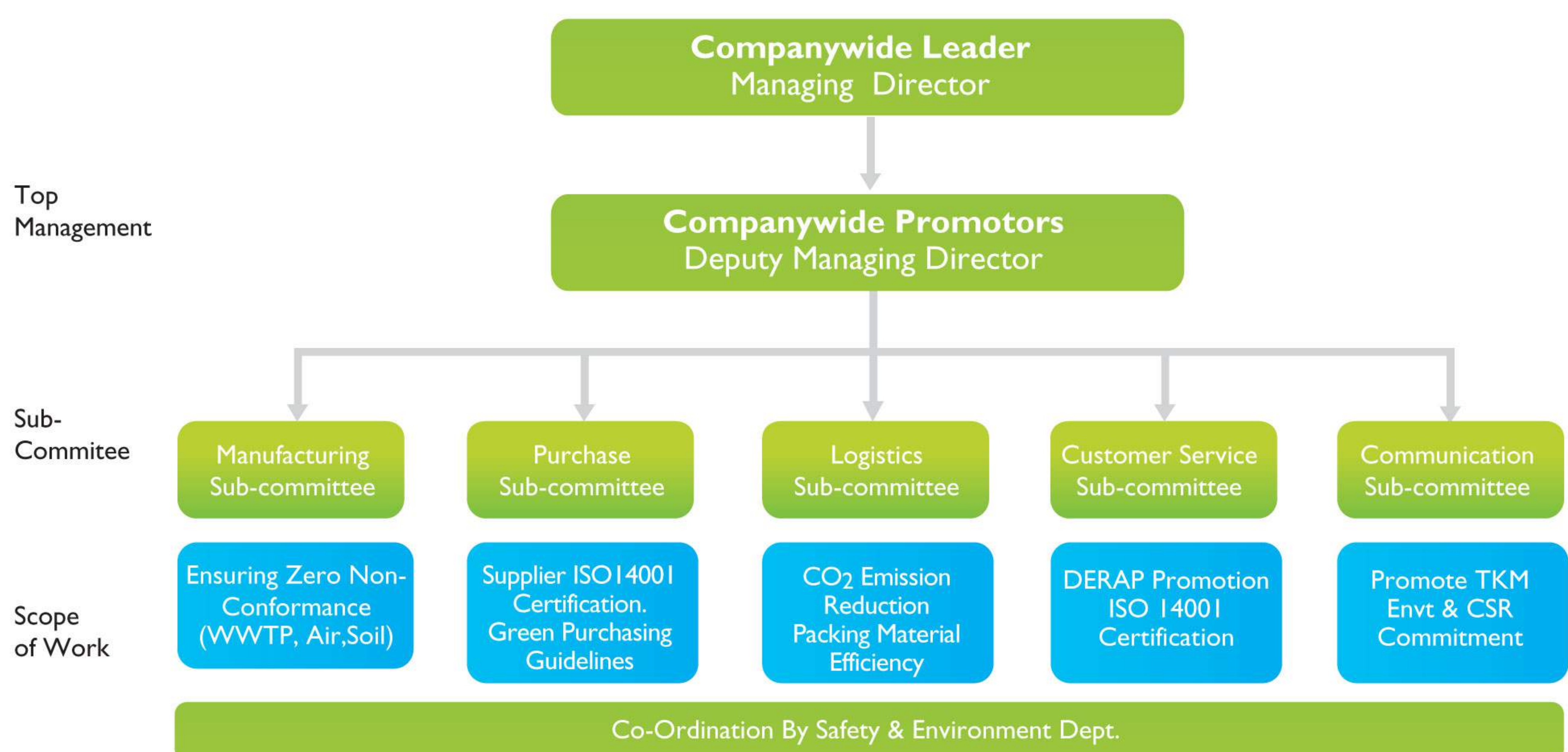
promote them throughout the company. The organization is mainly divided under three heads namely Corporate Affairs, Marketing and the Manufacturing. The details have been mentioned in the chart below.



Toyota Kirloskar Motor has established the Environment Committee in Year 2001, the first year of the production to drive Environment & CSR activities as a specialized organization. The Toyota Motor Corporation (TMC) has

established a regional headquarters TMAP (Toyota Motors Asia-Pacific) at Thailand. This organization is intended to support towards Energy conservation & Environmental Risk Minimization.

Organizational Structure:



Awards & Recognitions:

1. Regional Award for 'Best CSR Activity' and The Sunday Times State Excellence Award (by Planman MediaGroup)
2. "Best Merchant Exporter Award-Gold" by FKCCI (Federation of Karnataka Chambers of Commerce and Industries)
3. "Best Merchant Exporter Award-Gold" by Engineering Export Promotion Council (Ministry of Commerce, Govt. of India Sponsorship)
4. EXIM (Export-Import) Achievement Award conferred by the Tamil Chamber of Commerce, Tamil Nadu.
5. Safety Award for Best Maintained & Operated Boiler on the occasion of 37th National Safety Day

Celebrations - 4 March 2008 (National Safety Council, Bangalore Chapter, India)



Award for Best Maintained & Operated Boiler to TKM

Sustenance during Global Economic Recession - Year of Survival:

As we are all aware, the onset of economic recession in the second half of FY08 has affected all types of businesses worldwide. The auto industry, especially, has been badly hit. Sales of automobiles are at an all time low due to scarcity of disposable income, high interest rates, etc. Global sales of Toyota have also gone down drastically, so much so that Toyota recently announced its first operating loss in 71 years! Even at TKM, production volumes have been reduced and has declared year 2008-09 as the Year of Survival.

In spite of such adversities, TKM has taken up the expansion plan for Plant II for the manufacture & sales of small car. The launch of the new small car is anticipated to open the gates of opportunity to capture the Indian market and also win the hearts of customers. It has therefore become crucial for everyone at Toyota Kirloskar Motor to double efforts to overcome the current set-backs.

To tackle such a situation the Management has come up with following directives for operation: First, it is very important to survive the current crisis period, for a better tomorrow. Second, is to achieve a lean and flexible business. Thus, it necessitates everyone in the organization to come together, as One Strong Team, to overcome the challenges, to survive and to prosper.

