

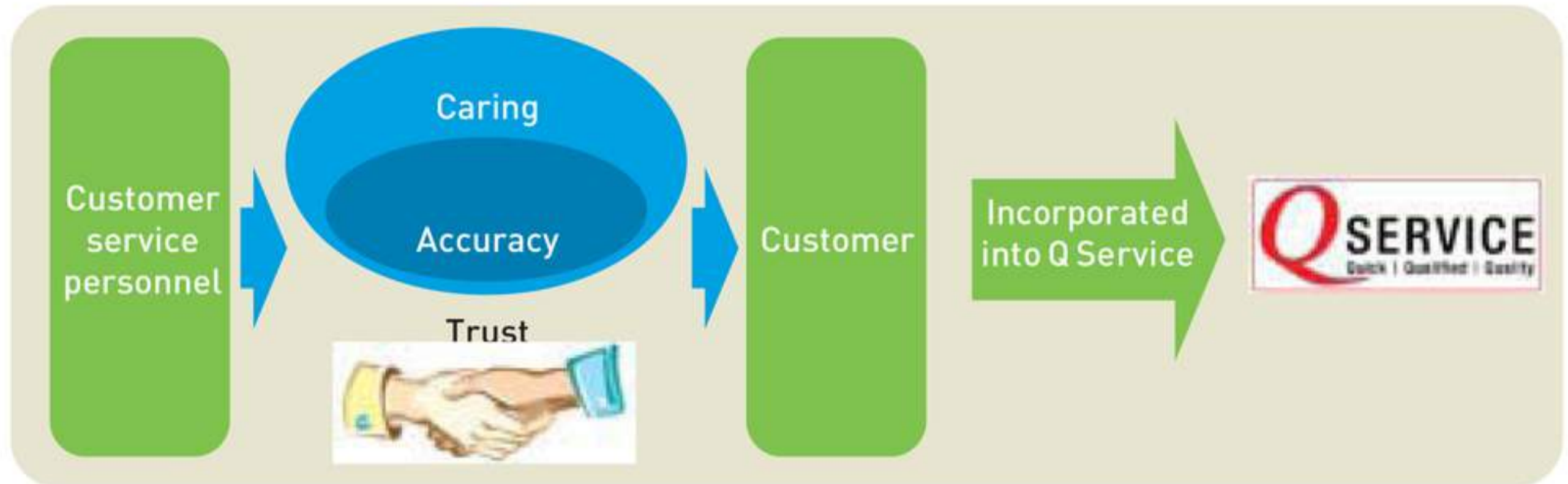
Social Performance: Customers

Customer Service Policy

TKM has clear vision to become most "customer heart touching company in India".

We at Toyota Kirloskar Motor, practice TMC Customer Service Policy: Accuracy + Caring = Trust. We have taken it forward through

our Q Service, keeping human touch as one of the prime factor in India.



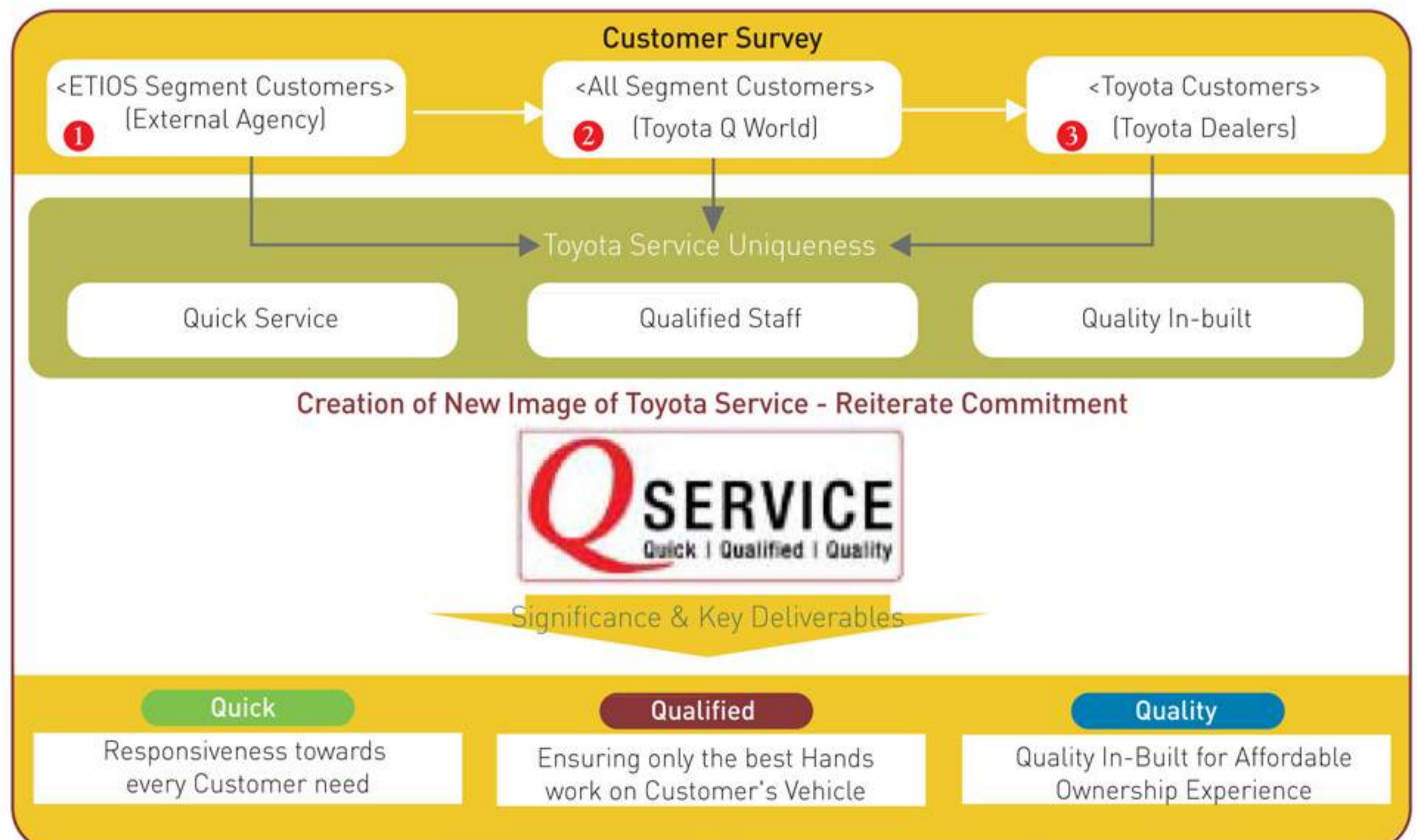
Q Service

Toyota Kirloskar Motor has designed Q Service, a service philosophy which is established as a part of our approach to delivering quality products and service. Q Service revolves around three main pillars - "Quick", "Qualified" and "Quality". These primary attributes are inculcated to create service differentiation, enhance corporate

brand image and reinforce quality processes which Toyota is known for.

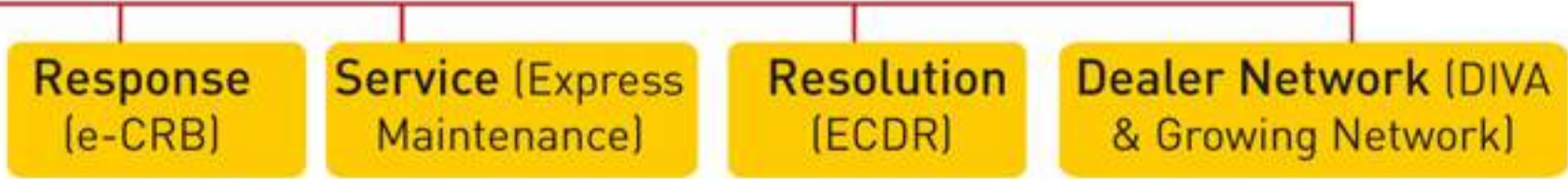
Why "Q Service"?

- Promote 'Toyota Quality Service' in line with 'Quality Revolution' Image
- Appeal 'Toyota Uniqueness' which only Toyota can provide under 'Q-Class





Quick



Road Side Assistance:

TKM designed the concept to provide assistance to the distressed customers who are immobilized due to certain problems in the vehicle like functionality problem, accident etc., by providing immediate repair or towing the vehicle to the nearest dealership or providing support to the customer due to the immobility of the vehicle.



Express Maintenance - 60 min service:



Express Maintenance was derived from the concept of TPS (Toyota Production System), To reduce the service lead time to the [to deliver the serviced vehicle to customer by 60 minutes] customer and to establish the lean system in dealers which will increase the productivity and profitability.

This feature adopted at dealer locations aims to deliver a vehicle brought in for service to the customer within one hour and to reduce vehicle unusable time for customers due to periodic service.

evolutionary - Customer Relationship Building [e-CRB]:

e-CRB was introduced to provide "One Class Above" experience to our esteemed Customers and retain them for Life. e-CRB provides unique Sales and Service experience to enhance customer delight, resulting in a higher customer satisfaction index. All our dealer service facilities are equipped with e-CRB tools such as Sales Process Management [SPM], Service Management Board and Customer Service Satisfaction Board [CSB]. With the unique features of e-CRB, TKM has expanded the programme to more than 125 Dealer locations.



QSERVICE Quick | Qualified | Quality **Qualified**



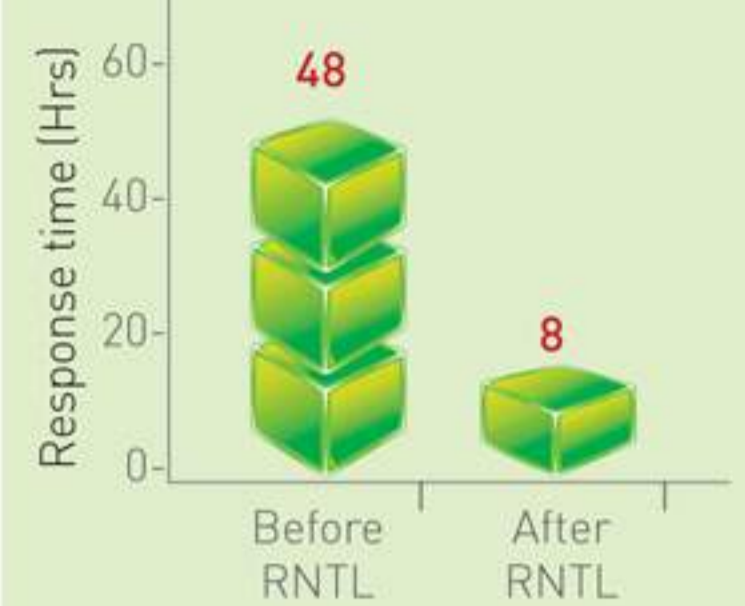
Service Team Support

Toyota has introduced concept of Service Team support to customers in a Quick, Quality and Qualified manner.

This Team is deployed across India as Residential National Technical Leader (RNTL) to support Toyota

dealers in ensuring quality service to our customers. Also, RNTL support helps for product development and new product innovation based on customer requirement into the market. Finally, RNTL Team plays vital role to increases brand image in the eyes of the customers.

Reduction in customer response lead time



Before Condition:
 > Before RNTL deployment, to grab the customer voice and requirement leadtime taken was 48 hours

After Condition:
 > After introduction of RNTL leadtime reduced to 8 hours and increased customer satisfaction.

1. Presently, RNTL are deployed in 8 location across India.

North	South	West	East
1. Ludhiana	1. Bangalore	1. Mumbai	1. Kolkata
2. Delhi	2. Hyderabad		
3. Lucknow	3. Chennai		

2. Each RNTL takes 8 Toyota dealers and quick grasping of customer queries. Later, reports to head office with less time.



QSERVICE Quick | Qualified | Quality **Quality**



No to Counterfeit

Counterfeit parts in the Indian market have become a cause for major concern. A recent study conducted by the Indian Market Research Bureau (IMRB) endorsed by the Society of Indian Automobile Manufacturers (SIAM) suggests that India has become a global hub for counterfeit parts. Today, the estimated size of the counterfeit market in India is said to account for between 32% and 47% of the parts industry. This has motivated Toyota Kirloskar Motor Private Limited to start an anti-counterfeit campaign. Illegal sales of non-genuine parts such as oil filters, fuel filters, air filters, engine oil, and coolant were decreasing Toyota Kirloskar Motor market share despite an increase in part sales. To counter this trend, TKM chose to focus on promoting awareness by educating their customers so they could enjoy a safe driving experience.



CSI Improvement

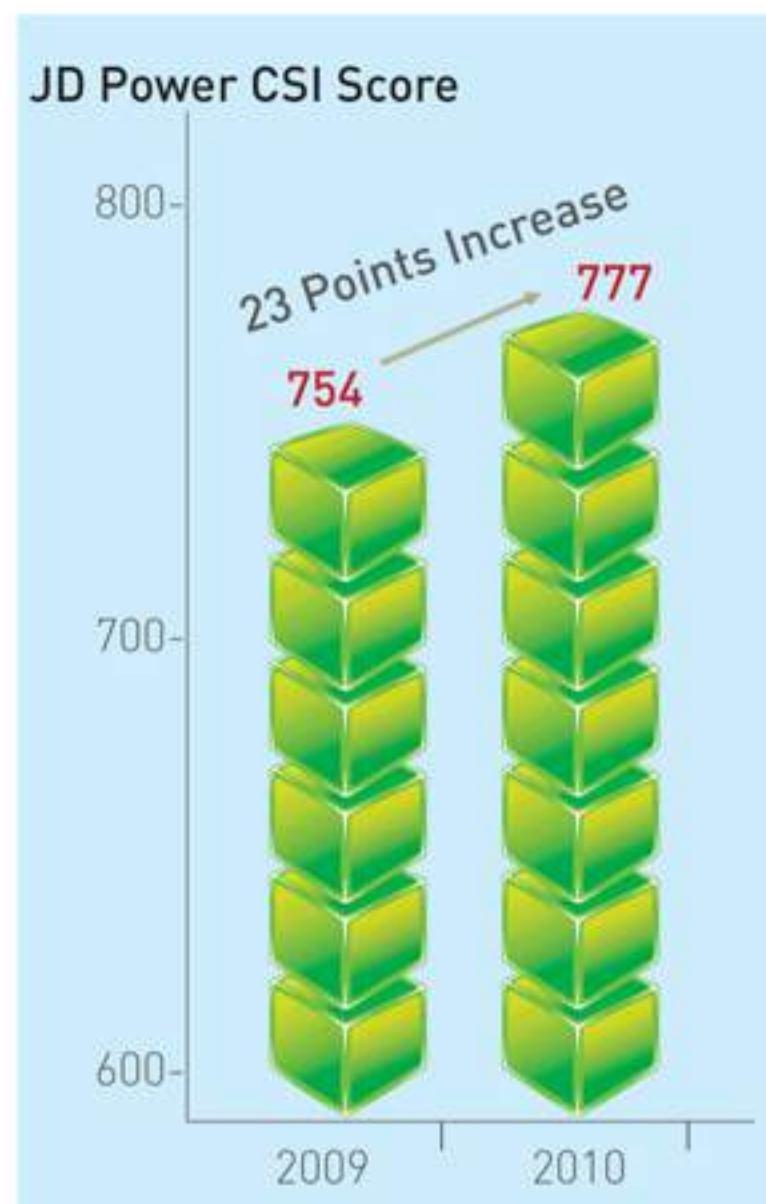
JD Power Survey on Customer Satisfaction Index (CSI):

Toyota operations and standards are designed in line with our concept of 'Customer First'. We have tied up with JD Power Asia Pacific to conduct internal customer satisfaction surveys. The survey results are shared with all concerned stakeholders and actions are taken to improve customer satisfaction.

JD Power surveys customers of all automobile manufacturers for their satisfaction towards vehicle service experience. They bring about the survey result in form of Customer

Service Index (CSI). Toyota CSI score for 2010 is 777, an increase in 23 points over previous year.

Various initiatives were taken towards improving Customer Satisfaction under the program Sarvottam 850+ (Best Customer Service in Town), most of them already covered under Q-Service.



Initiatives to enhance customer satisfaction

Customer First Exhibition

The 'Customer First' exhibition is 3rd annual event held at TKM to enhance in-house, suppliers design and manufacturing quality. The content focused on Toyota's Customer First activities, and quality improvement best practices. Also available to participants were video tapes presenting opinions "straight from the customer" and on Toyota's approach to quality entitled Everyone Has Their Part to Play in Guaranteeing Quality. The comments and opinions straight from customer had a tremendous impact or that they intended to take on board the best practices in their own workplace, showed a high level of interest towards quality improvement.



Endurance Trial: Customer usage and adaptability to Indian road conditions

Endurance Trial is a program conducted during the initial stages of a product launch. Conditions specific to Indian roads are taken into consideration and products are tested in these conditions to identify concerns due to the road conditions and attributes unique to India. Early feedback is provided to the design process for necessary early corrective action measures.



Endurance trials extend to the extreme terrains of India

Recognitions for Toyota Q-Class

Innova Ranked No.1 in MUV/MPV segment in initial quality by JD Power Asia Pacific for sixth consecutive year.



Fortuner Ranked No. 1 in SUV segment.



Towards cleaner and safer mobility

As stated in the Environment Policy, we understand the need for minimizing the impact of vehicles on the environment and its influence on the climate change and biodiversity.

We practice concepts of reducing, eliminating, improving and innovating to sustain and improve the environment in all aspects of the product's life cycle.

Clean and green Toyota products and services

Elimination of Substances of Concern (SOC)

Chemical substances of concern like lead, mercury, cadmium, and hexavalent chromium have a serious impact on the environment and human health.

Toyota initiated the elimination of SOC elements and switching to substances with less environmental impact.

All Toyota products in India (parts and vehicles) are SOC free



Customer safety - Toyota top priority

Toyota vehicles and components have been designed with high priority for customer safety.

Proper instructions through labelling on various components inside the vehicle, ensure proper and safe use by its customer.

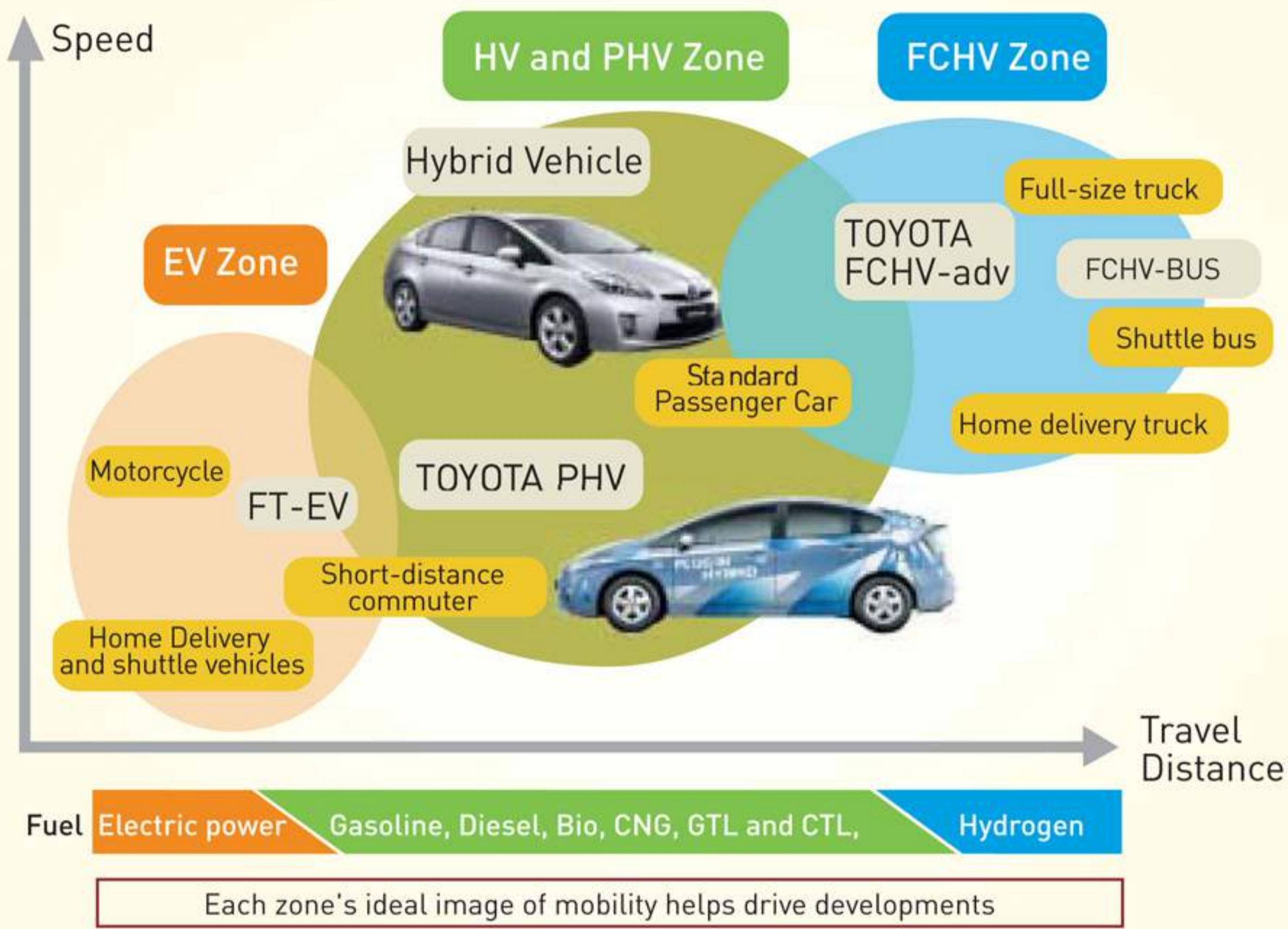
Guidelines for safe product disposal can also be found on various components.

Toyota vehicles in India, abide and follow Indian regulatory norms regarding product and service information voluntarily as a part of Toyota's corporate social responsibility as well as those which are mandatory by the Indian Government.

Toyota's Vision of Sustainable Mobility

" Without focusing on Environmental, Energy and Safety Measures there can be No Future for Motor Vehicles." - Katsuaki Watanabe, Vice-Chairman, Ex-President, Toyota Motor Corporation

Zone Images of Next Generation Mobility



Innovation...the key to sustainable development

Toyota believes that Sustainable mobility creates a society that harmonizes mobility, people and the planet.

Toyota business practices have always been promoting development of society with focus on environment, energy and safety while manufacturing automobiles.

Toyota has always been on the forefront and industry leader to develop environment friendly vehicles, which go a long way in

protecting the planet's natural resources and create a greener environment for our future generations.

"TODAY for TOMORROW"

With the rapid industrial growth and advances in technology and also population growth have led to growth in automobile ownership, there has been a rapid increase in the consumption of fossil fuels.

In the continuous endeavour to reduce the consumption of fossil fuels and protect the environment by making greener vehicles, Toyota is

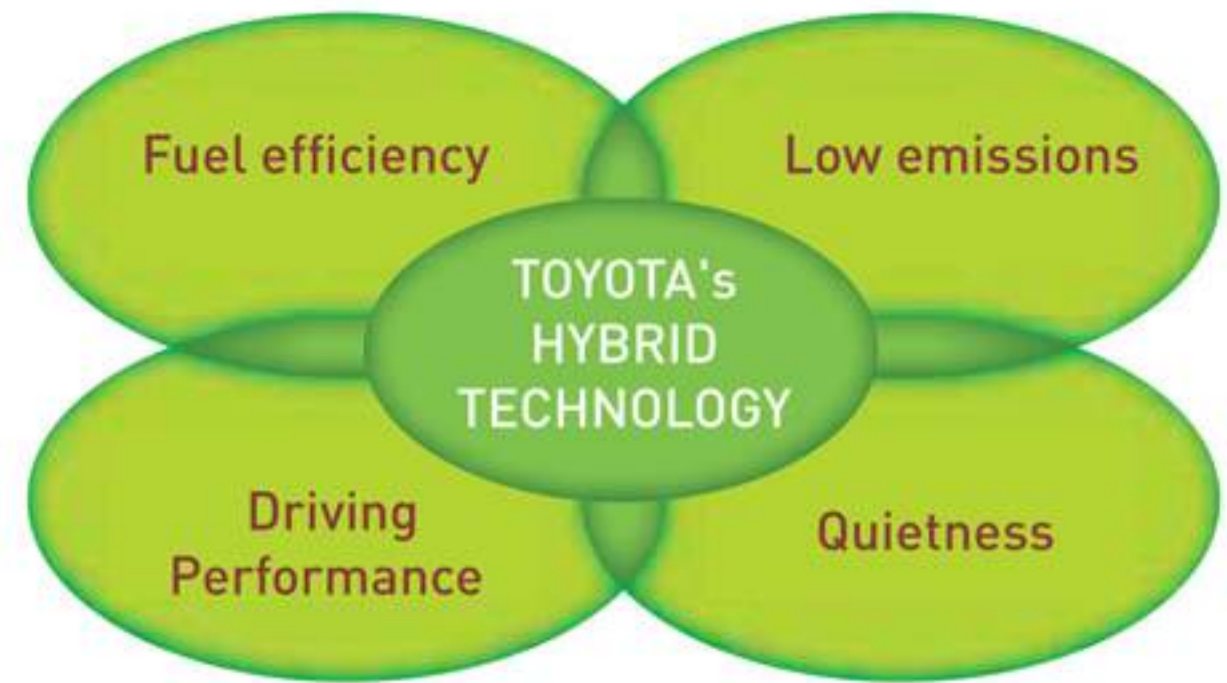
working on the development of alternative energy sources, to assist in reducing CO₂ emissions which cause global warming and improve air quality.

Toyota envisions to create "Eco cars" by developing environment friendly technologies and the Toyota hybrid technology, which is the core of eco car development.

Toyota is enhancing the adoption of 'hybrid technology' across its product range and also in various countries across the globe. Toyota positions hybrid system as the 21st Century's core environmental technology for Sustainable mobility.

Toyota Hybrid Synergy Drive

Toyota's goal of hybrid synergy drive development



Toyota's hybrid synergy drive is a series parallel hybrid system and adopts the best of series hybrid and parallel hybrid system.

Hybrid synergy drive is a combination of electric motor and a gasoline engine and selectively uses the same to take advantage of their key attributes.

Hybrid synergy drive delivers

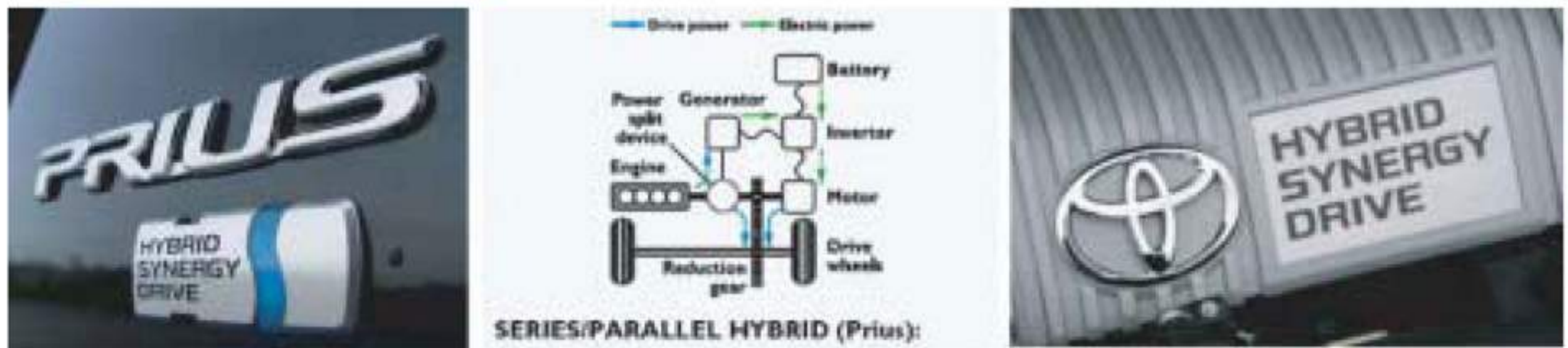
excellent fuel efficiency, exceptional quietness, low emissions meeting world's most stringent regulations without compromising on performance and driveability.

The Toyota Hybrid System II (THS-II) uses the motor to start up the vehicle and operate it at low speeds, and then switching seamlessly to the engine when a certain speed has been reached.

One of the main characteristics of the THS-II is that it can also be operated as an electric vehicle.

Another characteristic of THSII is that it employs a regenerative brake system that converts the kinetic energy generated during deceleration into electricity when the brakes are applied and recovers and stores that energy for reuse as a source of drive power.

Toyota Prius: Advancing the Green Revolution



With a Gasoline-Electric Hybrid Drive, which is a 'Series-Parallel' combination delivering a continuously variable ratio of engine/motor power to wheels.

Toyota Prius Milestones



1995 Prius Concept



1st Generation Prius (1997 - 2003)



2nd Generation Prius (2004 - 2009)

3rd Generation Prius (2010 - Present)



TOYOTA KIRLOSKAR MOTOR

Key Milestones of Toyota Prius

1996	Prius Hybrid Concept displayed in Tokyo Motor Show	2006	Cumulative Prius sales top 500,000 vehicles
1996	1st Generation Prius launched in Japan	2007	Plug in Hybrid using a modified NiMH battery pack testing commences
1998	Prius wins Car of the Year Award Japan	2008	Prius cumulative sales Reach 1 million vehicles
2000	Prius sales begin in Europe	2009	3rd Generation Prius debuts in 2009 North American International Auto Show
2000	Cumulative Prius sales top 50,000 vehicles	2009	Toyota Prius launched in Malaysia, Philippines & Latin America, Costa Rica
2001	Prius launched in United States & Australia	2009	Prius wins Car of the Year Award Japan
2002	Prius sales top 100,000 vehicles worldwide	2009	Prius Plug-In Concept shown at various auto shows
2004	2nd Generation Prius launched	2009	600 Plug-in hybrid vehicles made available for leasing in Japan, U.S. & Europe
2004	Prius wins North American Car of the Year Award & International Engine of the Year Award	2009	Prius cumulative sales reach 2 million units
2005	Production of the Prius for the Chinese market begins	2010	Toyota launches 3rd Generation Prius in India
2005	2005 European Car of the Year		

Facts about Prius :

- The name 'Prius' is the Latin word for 'prior' or 'before'
- The world's first mass-produced gasoline-electric hybrid car
- Prius is sold in more than 50 countries and regions, with its largest markets being those of Japan, United States and Europe
- For Second Generation Prius, Toyota filed 530 patents
- The Prius is the most fuel efficient gasoline car currently sold in the U.S. according to the United States Environmental Protection Agency
- United States EPA and California Air Resources Board (CARB) also rate the Prius as among the cleanest vehicles sold in the United States based on smog forming and toxic emissions
- In United States, it is classified as a SULEV (Super Ultra Low Emissions Vehicle) and is certified by California Air Resources Board as an "Advanced Technology Partial Zero Emission Vehicle" (AT-PZEV)
- U.S. produces more than half the Prius sold worldwide
- 3rd Generation Prius uses a new range of plant-derived ecological bioplastics made from the cellulose in wood or grass instead of petroleum.
- 3rd Generation Prius is designed with an aerodynamic body design with the coefficient of drag of 0.25 Cd.
- For 3rd Generation Prius, Toyota filed over one thousand patents during the development

It has been 12 years since Prius, the world's first mass-produced hybrid car, was launched.

Toyota now offers 12 hybrid passenger vehicles, including Prius (As of April 2010)

As of April' 2010, over 2.5 million Toyota hybrids have sold in Japanese and international markets.

Toyota has contributed to reductions of CO₂ emissions by an approximate 14 million tonnes to date.

Moving Forward towards Greener Tomorrow - Toyota Prius for India

Toyota is committed towards bringing the latest technologies in India and help in reducing the carbon footprint.

In addition to fuel efficient and less emission emitting gasoline and diesel engines, Toyota has introduced the globally renowned Hybrid technology in India.

Toyota introduced the 3rd generation Prius in India at the Auto Expo in December 2010 and has been on sales since then.

Toyota Prius has a class leading fuel efficiency of 23.91 km /lit (as tested by Indian Test Agency)



Toyota Etios "World First, India First, My First"

Toyota's 'Monozukuri' Philosophy to Contribute to Society

Monozukuri: Application to production of automobiles

Toyota's Guiding Principle: Contributing to society through making products that are useful to society.

Toyota has always pursued a sustainable method of making cars - more safe, more reliable, environment friendly and comfortable.

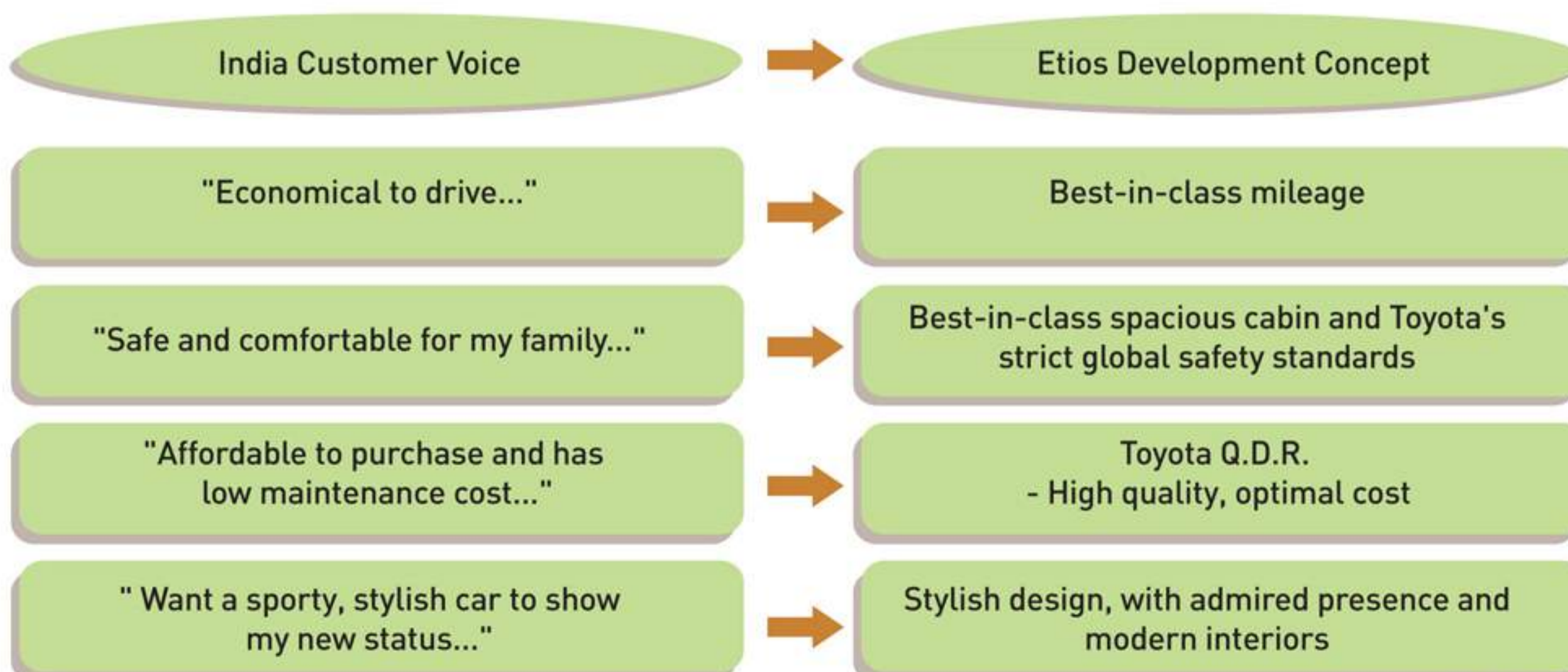
The challenging task is to grasp the

future of motorization and to make cars that would contribute and change society, not only in developed countries but also emerging countries like India, where due to tremendous growth in economy has lead to increasing use of cars.



Etios - Toyota's Sustainable Car for Emerging India

Amongst the emerging countries, competition in India is very intense and there was a need to provide high quality, safe & affordable cars, meeting the local needs.



Best mileage



Newly Developed 1.5 L, 16 valve DOHC engine with a mileage of 17.6 Km / Lit (As per test agency under Rule 115 of CMVR, 1989)

Toyota QDR



Anti-corrosion steel



Powerful AC with clean air filter

Modern, stylish design



True sedan - spacious and compact



Instrument panel designed like an aircraft cockpit

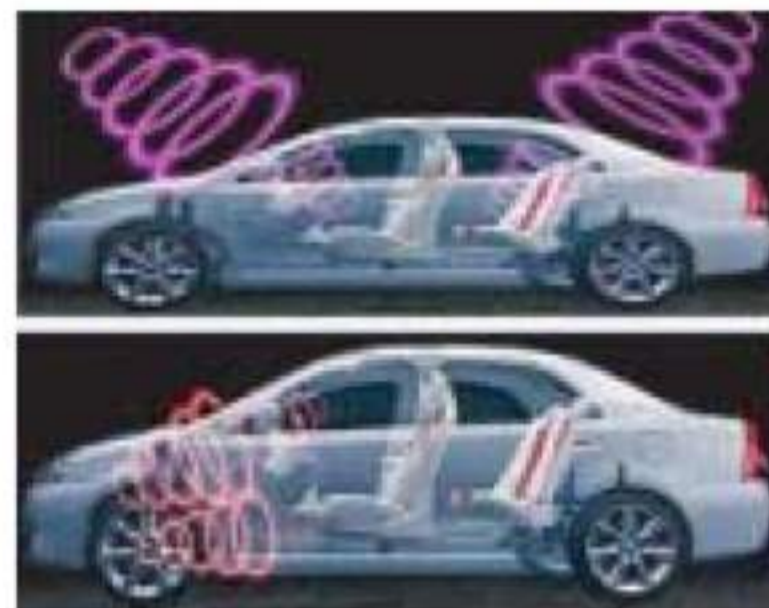
Most spacious



Smartly designed ergonomic interior with flat rear floor

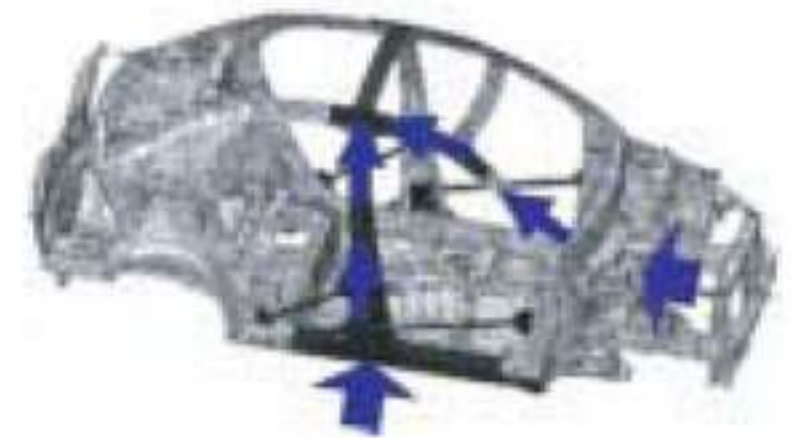


Unbeatable boot capacity (595 L)



Reduced wind and engine noise

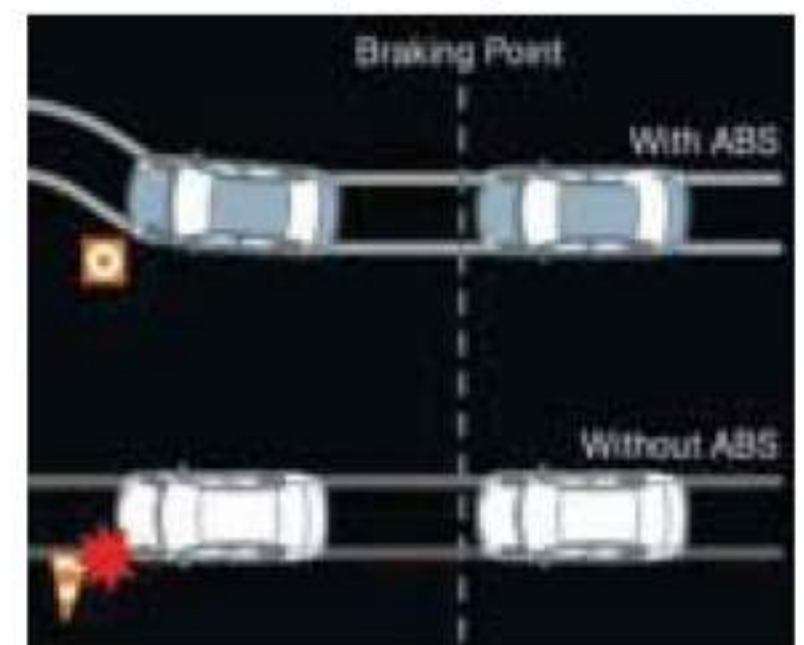
Safety on par with the best



Energy absorbing body



Driver and passenger airbags



ABS with EBD



Etios: Car For India, By India, From India

The Etios or EFC (Emerging Frontier Concept) as the project was internally called, is a first country project for India. The Etios has been designed exclusively for India and is manufactured completely in India.

In addition, to meeting all set India development requirements, Etios was designed to meet Bharat Stage - IV emission norms and also other regulatory Indian norms.

For India: Toyota understood the needs and aspirations of the customers by asking their requirements and expectations by directly visiting their homes, understanding their life styles and also through Focused Group Interviews (FGI).

Indian Road Surface Conditions, Traffic & Parking Conditions, Passenger Loading Conditions & India Unique Environmental Conditions were thoroughly Studied in India, Jointly alongwith TKM & TMC Designers to Make a Vehicle - **For India.**

By India: To make the Etios affordable and within the reach of the mass Indian customer, despite retaining Toyota Quality, Durability and Reliability (Q.D.R.), and also meeting customer expectations - maximum emphasis was laid to

localization of maximum components and also local production know-how was utilized in engineering the vehicle.

Involvement of TKM and TMC (Toyota Motor Corporation) engineers along with India suppliers through close communication, co-ordination, Genchi confirmation from the start of the project and through-out every phase of the project led to timely feedback from design to development - **By India.**

From India: For Etios to meet the set conditions in terms of production, sales and service, the existing Toyota supplier database, sales and service distribution network was enhanced. Supplier operations development in the vicinity of TKM, in the new supplier park was set-up to immediately cater to TKM needs at the right time and at

low cost.

A new green manufacturing facility was set up for Etios production which employed nearly 2000 people along with plans to localize engine and transmission in future with its affiliates and further create new employment.

Etios has been designed and developed with excellent engineering and performance that is simple in construction, keeping the vehicle light in weight, hence offering best fuel efficiency and yet being very spacious, safe and adhering to Toyota's strict quality parameters.

Etios is a product which is a perfect balance of performance, cost and quality, which was first made in India, will be produced in other countries and will also be exported - **From India.**

Etios has lead to growth for TKM, its suppliers, dealers, service partners leading to job creation, human resource development and enhancement of industrial growth leading to economic development.

This is in fulfillment of Toyota's Monozukuri guiding principle of contribution to society.



Customer home visit



Customer Focused Group Interview (FGI)



Traffic conditions



Parking conditions



Road surface conditions



India has unique environmental conditions (extreme cold to extreme hot)



Passenger loading conditions

Recognition to TKM's Quality Customer Service

Customer Service Excellence Award - 2010 (Silver Category)



TKM receiving Customer Service Excellence Award from Mr.K. Masumoto, Managing Officer, TMC

Special Award by TMC



Special Award shared in presence of Kidokoro san, Sandeep Singh san and CSG Management

Appreciation for Record Parts Sales by TMAP-MS



Mr Suwito Kua [Deputy General Manager-ASMDTMAP] presenting special award to CSG-Top Management on 24th March'11



Centralized Toyota Dealership Management System (CTDMS)

TKM was using the Toyota Dealership Management System (TDMS) in dealerships. This was a standalone system, limited to individual dealers. The magnitude of dealer expansion necessitated a more sophisticated system, which ultimately resulted in the CTDMS.

The Centralized Toyota Dealership Management System (CTDMS), as the name states, ensured that

dealership management was centralized to allow TKM complete data access. It allowed all dealers across India to be connected to TKM so that updates could be obtained in real time. Similarly, dealers with multiple outlets could also view the status of each of their outlets, or all outlets collectively.

With limited dealerships, a

personal touch was easier - people could be sent for training, to continuously check on Sales and Marketing, to verify whether issues were present, and so on. Enquiry management and conversion to sales was also much easier with fewer dealers. Similarly, ensuring a uniform customer experience across every dealership was a less complex task.

ETIOS Launch in India

Year 2011 witnessed a major milestone of Toyota in India: the launch of Etios. The unique feature about the Etios was that, it was launched first in India. With this launch, the Indian automobile sector had a new player in the mid size B segment passenger market with the launch of Etios. The launch was taken up in two stages. First, at the manufacturing plant, where the first vehicle was symbolically handed over from Manufacturing Deputy Managing Director; Mr. S Tomonaga to Marketing Deputy Managing Director; Mr. Sandeep Singh.

In the second stage Etios was launched to the market at Palace Grounds, Bangalore in presence of Mr. Akio Toyoda, President of Toyota Motor Corporation.



ETIOS launch at the Manufacturing Plant at Bidadi, Bangalore



ETIOS launch at Palace Grounds, Bangalore