

KEY PERFORMANCE PARAMETERS

Key Figures

Environmental Performance

- 3.3 % reduction in LPG (Liquified Petroleum Gas) usage
- 16.5 % reduction in Hazardous Waste Generation
- 78% of suppliers (core) compliant with ISO14001
- 70% of dealerships compliant with ISO14001

Social Performance	FY 2009-10	FY 2010-11	FY 2011-12
Number of employees	5637	7735	9839
Turnover rate for employees	2.8%	2.5%	3.6%
Community Investments (through Community Spirit and Community Sponsorships) in Mil. Rs.	105.5	108.3	72.8

Economic performance	FY 2009-10	FY 2010-11	FY 2011-12
Units Manufactured	63269	83814	159986
Units Imported as CBU (Completely Built Unit)	504	681	689
Net Profit after Tax [Rs. in Mil] (09/10, 10/11 and 11/12 fiscal years)	3093	2216	(-) 268

Our Sustainability Challenges, Risks & Opportunities in 2011-12

Challenges & Risks

- **Supply Chain:** As an automobile manufacturer with a vast supply chain spread all around the world, logistics bears a heavy influence on our business sustainability.
- **Changing Global Dynamics:** Any change or volatile situation occurring at any part of the world, can affect the business dynamics.
- **Natural Disaster Management:** As having experienced the effects of the tragic Japan tsunami crisis wherein many of our stakeholders namely our customers, suppliers and dealers were affected. The aftereffects of the tsunami resulted in unanticipated supply chain problems, eventually leading to production losses.
- **Climate change:** The carbon-intensity of the automotive sector is high – both in the process of manufacturing as well as product-usage and as responsible car manufacturers, the need is to look at a low-carbon future.

Risk Mitigation

- As a mitigation to assuage such risks from arising again, we have strengthened our two basic deliverables: Quantity & Quality.
- The Japan crisis also provided us with time & opportunity to look towards improving our flexibility towards manpower utilization, enhance human development & strengthen corporate governance systems.
- And, utilizing the non-production as a result of the crisis, as an opportunity to promote corporate volunteerism & environment awareness among the employees.
- TKM believes the effective strategy for a low-carbon future is to promote low-carbon products & processes. The launch of the Toyota Eco-Project in 1997 created a multilateral approach to developing the ultimate eco-car, calling for continuous improvement of existing technologies, such as petrol and diesel engines, in parallel with new technologies, such as electric and alternative fuel vehicles. To enhance and implement eco-friendly processes in the plant floor, the 2nd manufacturing plant of TKM is based on the Eco-Factory concept, thus increasing the resource efficiency, reducing the energy consumption and enhancing risk minimization.
- Toyota believes that the future of a mobile society is living in harmony with the environment. Through our strategy of sustainable mobility, actively participating and promoting the global discussion on sustainable mobility through the activities of the WBCSD (World Business Council for Sustainable Development) concerning future mobility, in cooperation with automakers and other organizations around the world.

2011 AWARDS

Sustainability



TKM won the CII-ITC SUSTAINABILITY AWARD 2011 [Commendation for Strong Commitment to Sustainability] for the third consecutive year in the Large Business Organizations category in recognition of significant achievement in Environment, Social and Economic dimensions.

Mr. Raju B Ketkale - VP, TKM receiving award from Mr. Anand Sharma, Union Minister for Commerce & Industry and Textiles, Government of India.

Safety



TKM was awarded the Best Safe Industry [Large Scale Industries Category] by Department of Factories and Boilers, Government of Karnataka on the occasion of National Safety Day celebration (04th Mar '12).

The award was conferred by Sri. B.N. Bachegowda (Hon'ble Minister for Labour & Sericulture, Govt. of Karnataka).

Human Resource



TKM won the "CII National HR Excellence Awards 2012" for Significant Achievement in HR Excellence.

Mr. Arun Maira, Member-Planning Commission handing over the Award to Mr. Gopinath Rao, DGM-HR Division. Mr. S. Gopalakrishnan, Executive Co-Chairman of Infosys (Left) and Mr. H.M. Nerurkar, Chairman, CII National Committee on HR are seen.

Quality



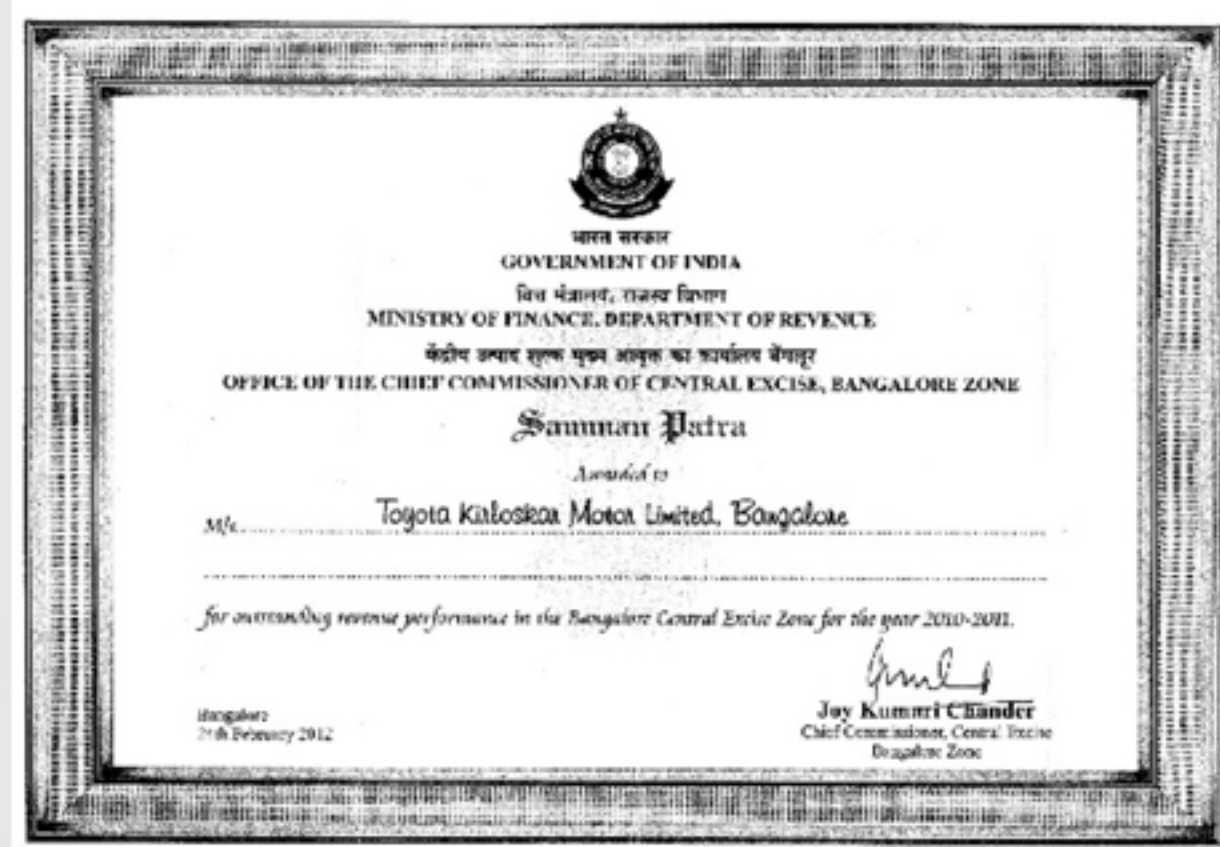
Mr. Nagae (EMC), Mr. Rajesh Mehrotra (DGM, CR), Mr. Tomonaga (DMD, Plant) and Mr. Raju B. Ketkale (VP) receiving the 20th JD Power Asia Pacific Annual Awards for Toyota Innova and Corolla Altis.

Award by JD Power for best car in the MUV/MPV segment to the Innova for the SIXTH CONSECUTIVE YEAR



2011 AWARDS

Economic Performance



TKM was awarded the Commendation Certificate: "Sanman Patra" on the occasion of Central excise day celebrated on 24th February 2012 by Central Excise department, Ministry of Finance, Government of India.

The award is in recognition of TKM's outstanding revenue performance and highest level of tax compliance in Bangalore Central excise zone for the year 2010-11.

Export Excellence



TKM was awarded the "Export Excellence Award - 2012" under Manufacturer Category by the Federation of Karnataka Chambers of Commerce and Industry.

The award was received by Mr. V Ramesh, Vice President, TKM from Mr. Anup K Pujari, IAS, Director General of Foreign Trade.

Customer Service



The Customer Service Group management and members with the "Outstanding Customer Service Award - 2011" (GOLD Award).

It was awarded to TKM by TMC [Toyota Motor Corporation]



2011 AWARDS

DR. TOYODA VISITS TKM



Dr. Toyoda, Honorary Chairman, TMC visited TKM on 8th February 2012. "I have visited India after six-years. I am deeply impressed with many signs of great economic growth that India has achieved. A very well organized visit.

Thanks for the hospitality," said Dr. Toyoda.

TKM AMONG 50 MOST ADMIRABLE COMPANIES

Congratulations! TKM is recognized as one of the 50 Most Admired Companies in India! This definitive report card on corporate reputations was put together by Fortune India Magazine in collaboration with the Hay Group (Global Management Consulting Agency). A total of 507 executives across 291 companies participated in the survey. The survey was carried out from October 2011 to January 2012.

- TKM secured 31st position among 50 Most Admired Companies in India
- In the Automotive sector, TKM bagged the 3rd place (among Top 20)

Evaluation criteria included Endurance, Corporate Governance, Performance and Investment Value, Financial Soundness, Innovation, Product and Service Quality, Leadership, Talent Management and Corporate Social Responsibility.

Thanks to all Team Members for putting continuous efforts to meet TKM's vision to "Become the Most Admired and Respected Company in India."

(Source: Fortune India, March 2012)

