



Corporate Sustainability Report

2007-08



TATA CONSULTANCY SERVICES

Experience certainty.

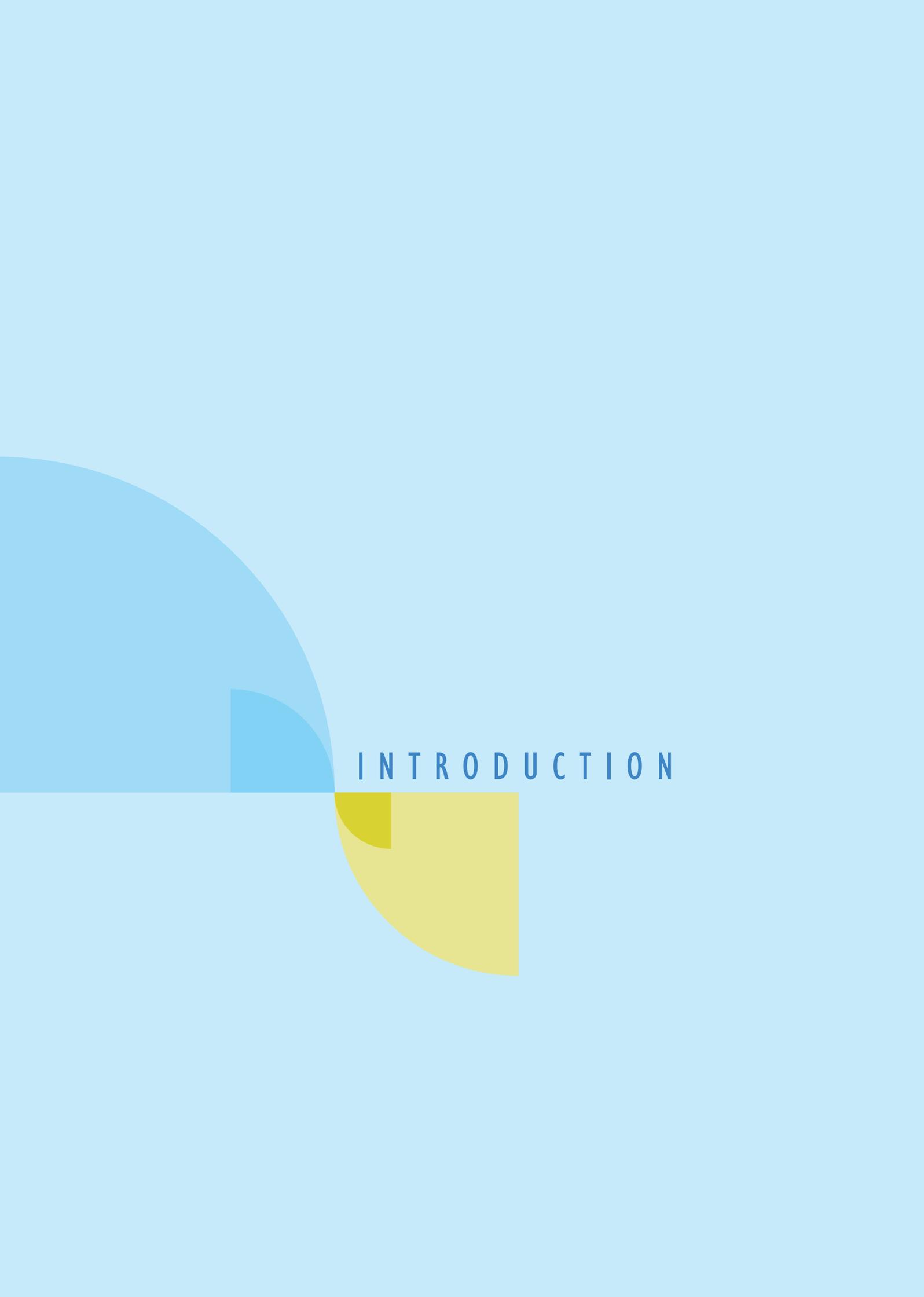
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List of Abbreviations and Acronyms

AIDS	Acquired ImmunoDeficiency Syndrome
AIG	American International Group, Inc.
AIP	Academic Interface Programme
ALP	Adult Literacy Programme
APAC	Asia-Pacific
ASI	Associate Satisfaction Index
ASQ	American Society for Quality
ASTD	American Society for Training & Development
BBP	Best Business Practice
BFSI	Banking, Financial Services and Insurance
BI	Business Intelligence
BitC	Business in the Community
BNHS	Bombay Natural History Society
BoD	Board of Directors
BPO	Business Process Outsourcing
BRM	Business Relationship Manager
BT	British Telecommunications
BU	Business units
CAD	Computer Aided Design
CBFL	Computer Based Functional Literacy
CCTV	Closed Circuit Television
CDMA	Code division multiple access (CDMA)
CEO	Chief Executive Officer
CEP	Continuing Education Programme
CFL	Compact Fluorescent Lamps
CFO	Chief Financial Officer
CFT	Cross Functional Teams
CII	Confederation of Indian Industry (CII)
CIO	Chief Information Officer
CLP	Computer Literacy Programme
CMM	Capability Maturity Model
COSO	Committee of Sponsoring Organizations of Treadway Commission
CPO	Corporate Programme Office
CPU	Central Processing Unit
CQAs	Certified quality analysts
CS	Corporate Sustainability

CSAT	Customer Satisfaction
CSI	Customer Satisfaction Index
CSR	Corporate Social Responsibility
CSS	Customer Satisfaction Survey
CTB	Corporate Technology Board
CTO	Chief Technology Officer
DC	Delivery Centre
DG	Diesel Generator
EFQM	European Foundation for Quality management
EIS	Engineering and Industrial Services
EMEA	Europe, the Middle East and Africa
EMPI	Entrepreneurship and Management Process International – Business School in New Delhi , India
EPS	Earnings Per Share
EQA	External quality assurance
ERM	Enterprise Risk Management
ESG	Environment, Social and Governance
EVA	Economic Value Added
FNS	Financial Network Services
FSC	Forest Stewardship Council
G2G	Services Government to Government Services
GE	General Electric
GHG	Green House Gases
GNDM™	Global Network Delivery Model™
HIV	Human immunodeficiency virus
HP	Hewlett-Packard
HR	Human Resource
HSE	Health, Safety and Environment
HVAC	Heating, Ventilating, and Air Conditioning
ICC	The International Chamber of Commerce
ICI	Imperial Chemical Industries
ICT	Institute of Chemical Technology – a premier institute in Mumbai, India
IEEE	Institute of Electrical and Electronics Engineers
IIAT	Indian Institute of Assistive Technology
IMSS	Social Security Institute of Mexico
IPR	Intellectual Property Rights



INTRODUCTION

1

This second Corporate Sustainability Report from Tata Consultancy Services Limited (TCS) summarises the Corporate Sustainability (CS) programmes undertaken by TCS in the financial year 2007-08. The report supplements the information given on corporate sustainability matters given in the annual report.

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Organisations and industries around the world are recognising the value of demonstrating transparency and accountability beyond the traditional domain of financial performance. This trend has come about through increased public expectation from organisations and industries to take responsibility for their non-financial impact, including impact on the environment and the community.

A high level cross functional team consisting of 20 members at the organisation level was set up to create this report. As the Annual Report has financial information as well as management discussion and business analysis, we have tried to ensure that this Report has minimal replication of that information. TCS's Annual Report 2007-08 is available under the Investors section on the TCS website - <http://www.tcs.com>.

The report focuses on significant economic, environmental, and social factors that impact the way TCS does business, including our relationships with key stakeholders. The Global Reporting Initiative guidelines are used to illustrate TCS's progress and performance in CS activities. This report has been produced in accordance with the Global Reporting Initiative's G3 Reporting Guidelines. Our assessment is that this report is in accordance with GRI application level A.

This Report has been reviewed by a renowned external consultant.



VISION

Global Top 10 by 2010

MISSION

*To help customers achieve their business objectives,
by providing innovative, best-in-class consulting,
IT solutions and services.*

To make it a joy for all stakeholders to work with us.

VALUES

*Leading change. Integrity. Respect for the individual.
Excellence. Learning and sharing.*



From The CEO's Desk

Our first GRI report has been a trend setter in the Indian IT sector. It also resulted in TCS being the only other Indian company, apart from Tata Steel, which was included in the Dow Jones Sustainability World Index 2008. TCS's inclusion in the 50-organisation Standard & Poor's Environmental, Social & Governance 2008 Index for India is a testament to the fact, that growth for TCS is both multifaceted as well as inclusive.



Tata Consultancy Services completes 40 years in 2008 and on this occasion, we reaffirm our commitment to the five Tata values: Integrity, Understanding, Excellence, Unity and Responsibility. We commit ourselves to all our stakeholders and especially to the community. In 2001 TCS had set itself a target of being within the global top 10 IT consulting firms by 2010, and we can see ourselves having surpassed this goal in more than one aspect.

The world faces an unprecedented economic challenge at present, led by the US crisis. TCS has taken several proactive measures to address these. While the US will continue to remain important for our business, we have been aggressively opening up other sectors in Europe, Latin America, Asia-Pacific (APAC) and Europe, the Middle East and Africa (EMEA). Our offering of Integrated Full services play is helping us position ourselves as partners for a long run with all our customers. TCS has always believed in building long term relationships with all our global customers, in these times when our customers face numerous business challenges, we too are looking internally at becoming even more efficient. Towards this, we have, this year, re-organised ourselves into Industry Service Units which function like Strategic Business Units with their own budgets as well as targets. The intent is to make us a more nimble organization that will still have the power of a large organization supporting it in all spheres. This also provides a great opportunity to generate more leaders within the organisation.

Such empowerment as well our professional development opportunities has helped us retain our associates and achieve the best retention rate in the industry. This year we have been focusing on developing global leaders in alignment with our growth strategy. We have expanded our world class training facilities to accommodate more entry level and mid management associates

Another global challenge is that of the environment. As a responsible corporate TCS had initiated 3 years ago, several steps to reduce its carbon footprint. With a dedicated team of over 20 highly qualified professionals, the Green agenda is being driven across the company. We now have 22 centres in India with ISO 14001 certification and, we actively promote Green IT. Apart from management decisions, TCS believes the environment effort should be participatory encompassing all our 119,000 Associates. Towards this, workshops and awareness programs are done regularly across the company. TCS took a lead and created green buildings at our facilities in Siruseri(Chennai), Bhubaneswar and Trivandrum. We are proud to have been awarded the Golden Peacock Environment Management Award from the World Environment Foundation. TCS has mandated for itself to become carbon neutral within the next 10 years.

TCS has always endeavored to use its core competence to address large scale societal problems. We are engaged in a variety of initiatives that aim to have a transformational impact on society.

We have partnered with the Indian Government in driving large e-governance programs such as the National Rural Employment Guarantee Scheme, Central Registration of companies and e- Passport. One initiative- 'mKrishi' (farmers' mobilephone), which was recently awarded the Wall Street Journal Technological Innovation Award, it empowers the farmer with critical weather and soil information on demand, that improves agricultural productivity . We pursue these initiatives in partnership with like-minded stakeholders and by leveraging our core IT competence.

TCS has always focussed on understanding and balancing stakeholder needs . Our Investor Relations Cell constantly works to ensure that our shareholders are provided with all the information they seek, including visits to our facilities to help understand our business. In return, we enjoy the trust of our shareholders who show up in large numbers at our Annual General Meetings, this in spite of heavy rains in Mumbai this year. Along with the Tata Group, TCS has achieved global recognition for ethics and governance from the Reputation Institute of US as the 6th most respected corporate in the world.

TCS is in many ways a pioneer of the Indian IT Industry and we believe that Innovation is the only way to stay ahead of the pack. We have learnt the art of continuously unlearning and learning and re-inventing which leads to innovation. We have invested in 21 Innovation Labs in 13 centres across the world to help our partners benefit from our work. We have also evolved a collaborative framework called Co-Innovation Network which comprises university researchers, venture capitalists, and start-up entrepreneurs

In line with our brand promise of Experience Certainty , we work towards enabling our customers to achieve their strategic objectives. We align our initiatives to ensure that our customers get what we promised and more. Our transparency and customer focus has yielded in high customer loyalty and retention. TCS leaders, work closely with our customers on many common themes to improve society .

All of the above efforts have resulted in TCS being rated as an Industry leader on the Tata Business Excellence model based on the Malcolm Baldrige National Quality Award . Our journey on the path to excellence continues and on behalf of all at Tata Consultancy Services, I would like to commit that TCS will continue to strive for inclusive growth and sustainable development of resources, and continue to conduct itself with greater responsibility towards the global environment challenges we are facing.



S Ramadorai
CEO and MD

TCS Profile



Great things happen from small beginnings and in 1968, the formation of Tata Consultancy Services signalled the start of India's technology revolution. During the next few decades, TCS paved the path for others to follow, effectively creating the Indian IT services industry brand and transforming the country's image from that of snake charmers and elephants to one of IT professionals, skilled in cutting-edge technology, and a global outlook.

TCS began the revolution by importing IBM mainframe computers into India, winning and executing assignments for corporations in the US and UK, thereby creating the biggest

1968

TCS begins operations

1974

First mainframe computer



1985

Tandem Centre

1971

First international assignment

1981

Tata Research Development & Design Centre, Pune



1988

IBM centre

1998

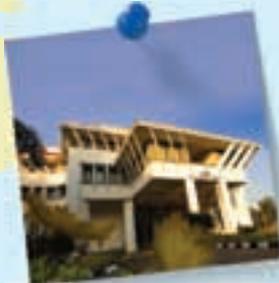
TCS starts verticalisation of business

1993

ISO 9000 certification awarded
TCS' first big international capital markets project for the Switzerland depository (SEGA) goes live

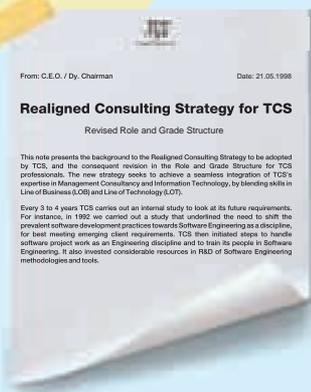
1997

New corporate training facility opened at Thiruvananthapuram



1999

Qwest, HP, SEEPZ & Sholinganallur centres assessed at SEI-CMM Level 5



disruption in the industry by introducing the off-shore model of software development. To build the industry, the Company invested to create an eco-system with academic institutions to ensure that we nurture technical talent to global standards and established a software engineering research centre in 1981.

Having established the India advantage globally, TCS focussed on expanding its global presence and service offering capabilities. The Company expanded its sales and delivery footprint in India and across continents by setting up centres in Hungary, China, Uruguay, Brazil and Japan. TCS was

restructured into a domain-led organisation in 1998 to create further compelling value proposition for customers by distilling our business domain expertise and evolving the capabilities for end-to-end solutions and asset leveraged solutions, backed by organisation-wide uniform quality processes.

The Company, which became the first Billion Dollar Indian IT services company in 2003, is now focussed on enhancing its profile and visibility globally, and is expanding and consolidating its leadership position in major markets as well as new growth markets.



2000
TCS Calcutta, Bangalore, Lucknow, Hyderabad, GEDC, Ambattur and Ahmedabad Centres certified at SEI-CMMLevel 5

2002
Expansion into new growth markets likes China/Uruguay

2001
TCS completes acquisition of public sector unit, CMS

2003
TCS becomes first Indian IT company to cross \$ 1 billion in revenue

2004
TCS IPO - India's largest private sector public issue of shares

2006
Launch of igite. TCS unveils unique programme to transform science graduate into software professionals

2005
Acquisition of FNS in Australia and Comicro in Chile, Merger of Tata Infotech and TCS; Launch of Chinese JV

2007
Launch of Experience certainty. India's first global marketing campaign from the private sector; TCS emerges as the Largest Private sector employer with over 100,000 employees

2008
Cross US \$ 1.25 billion in profit

Scope of the Report

Almost all the data shared in this report is for TCS's global operations. Apart from the financial spend on subsidiaries in FY 2007-08, the report does not incorporate subsidiary information. However, data on leased facilities in India is included.

In the Environment section, the data pertains to our Indian operations, which constitute 66% of our overall operations.

The source of the data represented in this report is internal and cross-functional. We have sourced data from Ultimatix, our intranet portal, which runs all internal processes, including HR, finance and project management at the core; employee self-service functions at the second layer; and management dashboards. All the data is audited by the third party auditors for ISO and financial audits.

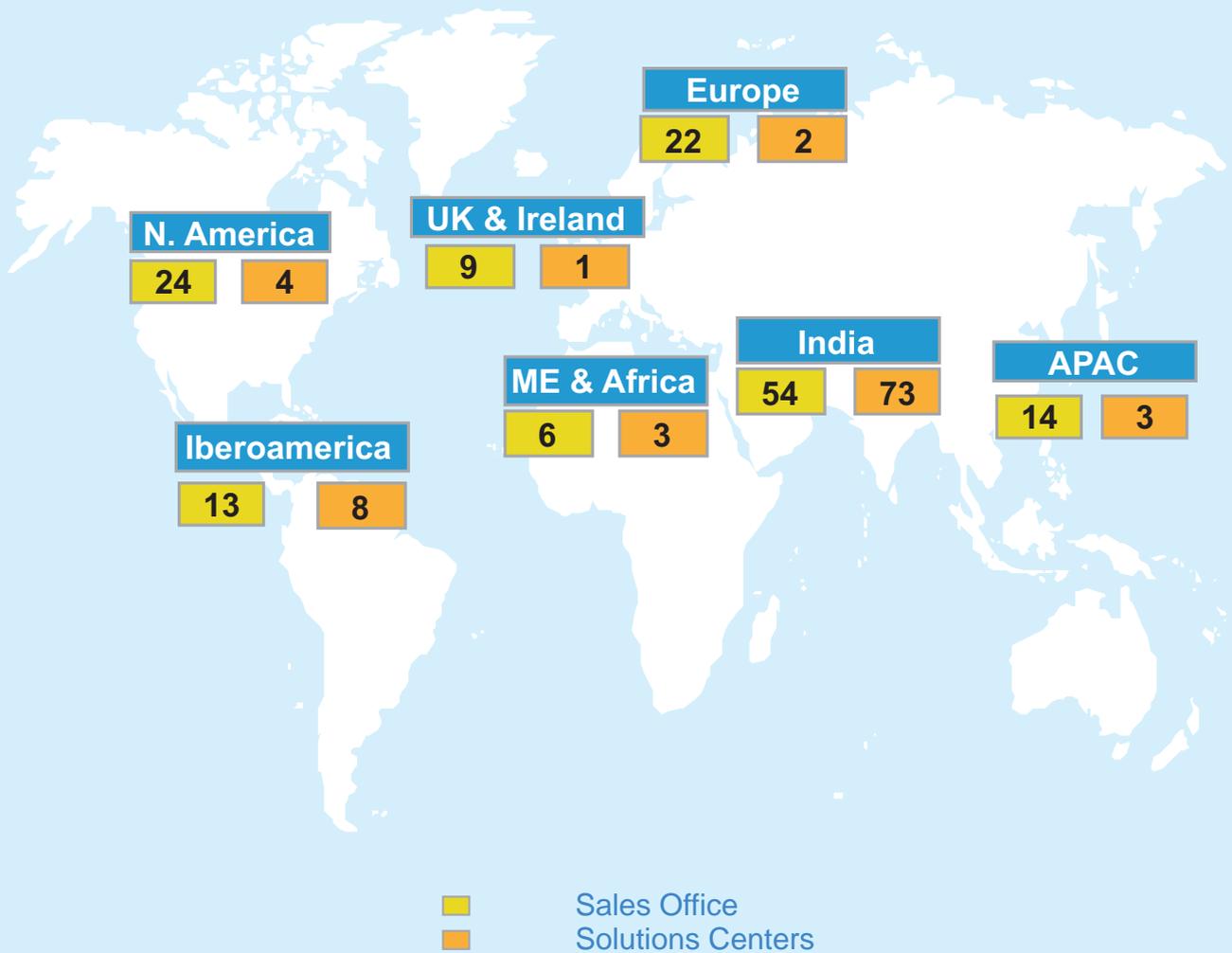
Report Application Levels

		2002 In Accordance						
		C	C+	B	B+	A	A+	
Optional	Self Declared							
	Third Party Checked		Report Externally Assured				Report Externally Assured	
Optional	GRI Checked						Report Externally Assured	

TCS Geographical Spread

142 Offices in 42 countries

94 Solution Centres in 17 countries



Key impacts, risks and opportunities

TCS's strategic planning process involves both strategy development and strategy deployment, with key business risks and opportunities being evaluated as part of this process. In keeping with TCS's responsibilities and business challenges across the globe, we have established a Corporate Risk Office, reporting to the Chief Financial Officer, which carries out risk assessments to help identify possible issues and thus the potential business impact.

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A regular and periodic identification and assessment of risks that can impact the goals, objectives and performance of the company globally is done. Mitigation plans to counter the threat of risks and improvement plans for the company to be able to excel in our performance are regularly drawn up.

Periodic reviews are done to ensure progress of the action plans and for alignment of the goals. This is made possible by TCS adopting an Enterprise Risk Management approach for risk identification and risk assessment and alignment with objectives of the company.

TCS's Enterprise Risk Management approach has been adapted from the overall ERM guidelines and recommendations made by COSO (Committee of Sponsoring Organisations of the Treadway Commission, a private sector initiative in the United States that came up with these recommendations based on a two-year study between 2002 and 2004).

Adopting this approach enables alignment of risk identification and mitigation with the 'Business Plans' referred to in the earlier section. The effectiveness of the approach is enabled by ensuring oversight of the respective risk areas by the concerned business unit, geography, and functional leadership. The ERM process approach enables this alignment.

The Global Legal function of the company ensures legal and regulatory compliance and the overall alignment of adopting the ERM ensures protecting the reputation of the company. The Audit committee of the Board and the Board of Directors periodically review the Risk management practices of the company.

Exhibit 1.1: TCS approach to major risk and concerns

Major Risks and Concerns Identified	Key Impact on TCS's Business	TCS approach to counter risk
Global economic environment	Economic slowdown in the USA, which accounts for 50% of our business, may have a varying degree of impact on other economies as well. This has led to rise in Market-related business risks and Credit risks with clients in some countries	<ul style="list-style-type: none"> • Diversification across geographies • Diversification of Product and services offerings • Focusing on enlarging global presence by strengthening the global development centres
Currency fluctuation-related risks	Strengthening of the Indian Rupee has adversely affected the IT industry in fiscal 2008. It may continue in fiscal 2009	<ul style="list-style-type: none"> • Use of various types of foreign currency forward and options contracts to hedge the risks associated with fluctuations in currencies • Appropriate policies and processes for the use of financial derivative instruments consistent with our risk management strategy • Software products to monitor, manage and report exposures on a daily basis
Commoditisation of offerings/value proposition	"Increased competition from Indian and global IT players could result in pressure on pricing and commoditisation of low-end services"	<ul style="list-style-type: none"> • Broadening the Company's service offerings and targeting increasingly complex deals • Investing in brand awareness promotion • Focusing on innovation initiatives for better productivity through continuous improvement in processes, systems, methodologies and capabilities
Gross margin deterioration risk	Increased competitive pressure in India for the pool of available talent has been driving employee costs higher. Heightened competition from global and Indian IT companies has been limiting the ability to increase billing rates	<ul style="list-style-type: none"> • Increasing the volume of value added services like Global Consulting that commands higher rates • Focusing on higher margin activities like increasing offshore leverage • Productivity improvement and better cost management on a continuous basis

Major Risks and Concerns Identified	Key Impact on TCS's Business	TCS approach to counter risk
Immigration and visa regulations related risks	Timely availability of requisite number of work visas for the US, the UK and Europe has always been a challenge for the Indian IT services companies	<ul style="list-style-type: none"> • Advanced visa planning • Timely enhancement of 'local recruitment' plans at global locations being pursued with rigour
Hiring and retention of employee related risks	Meeting the requirements of having qualified professionals, managing attrition as well as salary expectations is a significant challenge	<ul style="list-style-type: none"> • Increasing the number of engineering educational institutions from which the Company recruits • Our academic interface programme also includes training of college faculty and providing appropriate course material, to ensure that these educational institutions are able to maintain the requisite quality • Recruiting Science graduates with the aptitude for IT services business
Counterparty risk in treasury operations	"As mandated by RBI, authorised institutions are the intermediaries or 'counterparty' for treasury operations. These institutions are mostly global MNC banks of repute. The global financial uncertainty as a result of the issues arising in credit markets increases the inherent risks of the hedging transactions that the Company undertakes with these institutions	<ul style="list-style-type: none"> • Employing multiple intermediary institutions and reducing exposure to any single institution • Conducting regular review of the Treasury processes and the counterparty limits
Risk of Customers/Clients facing financial difficulty	The Company's credit terms are standard and there is constant monitoring of the creditworthiness of the clients and prospective customers. This is especially critical in case of customers where the Company experiences delayed payments	Enhanced monitoring of outstanding amounts from customers

Precautionary Approach

We believe that TCS's products, services, and operations have a minimal adverse impact on the environment and society. However as a responsible corporate entity, to minimise any indirect impact, we undertake measures as depicted in Exhibit 1.1 and ensure that all our suppliers and vendors use environment friendly components and abide by relevant regulations in the use of labour, pollution control, and so on. We strongly believe in the Green IT revolution and now have 22 delivery centres ISO14001 certified.

Public concerns: To anticipate public concerns at the international and national levels, TCS leaders participate actively in forums such as NASSCOM, IEEE, ASQ, ISACA and ACM, which research and provide updates on legal, regulatory and educational issues across the world. TCS also ties up with renowned universities that are global trendsetters in this area. Anticipated possible concerns for our operations and our actions are shown in Exhibit 1.1.

Resource sustenance: TCS has created a dedicated cell which looks after environment, health and safety related matters in the organisation. We have defined and documented policy and procedures framework like the Environment Management System Manual, Green Procurement Policy, Food Safety Guidelines for canteen and Incident/Injury/Illness Investigation and Reporting manual, which guide us on such matters.

Exhibit 1.2: Precautionary approach

Area	Actions
Third party claims on customers	Clauses in contracts to safeguard our customers by including warranties & indemnities
Environment	Create the environment policy; create an organisation structure with a new role Head Health Safety Environment Develop the HSE procedure manual; provide safety engineers at construction sites; start vermiculture activity at all new facilities; introduce rainwater harvesting; institute energy audits
Loss of local employment	Hiring locals; setting up DCs at overseas locations; working with NASSCOM & TATA Group to engage in responsible outsourcing; actively taking part in CS activities across the globe
Electronic wastes	Disposal done through government certified disposal vendor Donate computers to extend its life of use

Distribution of Products and Services

Currently, the major service offerings the Company has identified and is focusing on, in order to achieve our growth aspirations are:

1. IT Solutions and Services
2. Asset based Offerings
3. IT Infrastructure Services (IT IS)
4. Business Process Outsourcing
5. Engineering and Industrial Services (EIS)
6. Global Consulting Services

Currently, the major service offerings the Company has identified and is focusing on, in order to achieve our growth aspirations are:

1. IT Solutions and Services: TCS offers application development and maintenance services over the entire IT application lifecycle, including migration and reengineering, e-commerce and internet services, testing services, architecture and technology consulting, systems integration, as well as packaged software implementation across multiple industry and technology domains.
2. Asset based offerings: We utilise our proprietary software assets to deliver solutions to clients in specific industries and have licensed several software intellectual property rights. TCS also develops and markets a variety of products across diverse industries. We have developed products such as the Hospital Management System, eIBS, NCS, FIG and Quartz™ for the banking and financial services industry, CemPac for the cement industry, and also software development tools such as MasterCraft™, Assent, DataClean and Infrex.
3. IT Infrastructure Services (IT IS): The Company offers services that include complete outsourcing of IT networks, consulting and integration, hardware support and installation, and infrastructure management.
4. Business Process Outsourcing: TCS offers a variety of transaction based IT-enabled services. These include inbound call centres, back office support, engineering services and database services. TCS's focus in this space is to provide transactional services 24x7 for client needs from various geographies; thereby, ensuring business continuity and disaster recovery.
5. Engineering and Industrial Services (EIS): TCS offers a range of engineering services, embedded software and R&D services to diverse clients, assisting in new product development and product lifecycle management through services in the areas of product design, simulation, engineering drafting, computer-aided engineering design and manufacturing, product data management and customisation of engineering software.
6. Global Consulting Services: One of the first companies to set up an independent consulting division, TCS today includes consulting as an integrated part of any assignment to our customers in different industry segments.

Exhibit 1.3: Revenue by Significant Services

Revenue by Significant Services		
Service Lines	2007-08 % of Revenue	2006-07 % of Revenue
IT Solutions and Services		
Application Development and Maintenance	48.3	52.2
Business Intelligence	9.7	9.5
Enterprise Solutions	13.1	12.2
Assurance Services	3.8	2.3
Subtotal IT Solutions and Services	74.9	76.2
Engineering and Industrial Services	5.4	5.8
Infrastructure Services	6.5	6
Global Consulting	3.4	3.4
Asset Leverage Solutions	3.6	2.8
Business Process Outsourcing	6.2	5.8
Total Revenue	100	100

Exhibit 1.4: Revenue by Geography

Revenue by Geography		
Service Lines	2007-08 % of Revenue	2006-07 % of Revenue
Americas	50.77	52.43
UK	19.78	20.29
Europe	9.21	8.19
Iberoamerica	4.4	3.85
India	8.95	9
Asia Pacific	5.2	4.78
ME/Africa	1.69	1.46
Total Revenue	100	100

Exhibit 1.5: Revenue by Significant Industry Practice

Revenue by Significant Industry Practice		
Industry Practice	2007-08 % of Revenue	2006-07 % of Revenue
BFSI	44.14	43.89
Telecom	16.15	16.09
Manufacturing	9.82	
Hi-tech	3.11	
Total Manufacturing	12.93	12.72
Retail and Distribution	6.45	5.9
Others	20.33	21.4
Total Revenue	100	100

Corporate Governance

As of March 31, 2008, Tata Sons Limited (TSL) owned 75.01% equity share capital of Tata Consultancy Services Limited. Charitable Trusts hold 66% equity of TSL. The income generated helps the Trusts support an extensive range of causes, institutions and individuals.

The Company has 11 Directors with a Non-Executive Chairman. Of the 11 Directors, 7 (63.63%) are Non-Executive Directors and 6 (54.54%) are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which the individual is a Director.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2008, have been made by the Directors. Mr. R.N. Tata, who is the Chair of the Board of Directors, is a Non-Independent and Non-Executive Director.

Board of Directors

- | | |
|----|--|
| 11 | R N Tata
Chairman |
| 8 | A Mehta
Independent Director |
| 10 | N Chandra
Independent Director |
| 6 | V Thyagarajan
Independent Director |
| 1 | C M Christensen
Independent Director |
| 5 | Laura Cha
Independent Director |
| 9 | Ron Sommer
Independent Director |
| 2 | S Ramadorai
Chief Executive Officer and Managing Director |
| 3 | N Chandrasekaran
Chief Operating Officer and Executive Director |
| 4 | S Mahalingam
Chief Financial Officer and Executive Director |
| 7 | P A Vandrevala
Executive Director and Head, Global Corporate Affairs |
- 11 Board of Directors



CS Ownership by Leadership Team



(Standing - Left to Right)

S Mahalingam

Chief Financial Officer and Executive Director

His remit includes corporate responsibility in the Marketplace, specifically for supplier relationships.

A Mukherjee

VP and Head, Global Human Resources

P A Vandrevala

Executive Director and Head, Global Corporate Affairs

His role includes the corporate responsibilities relating to Occupational Health & Safety.

(Sitting - Left to Right)

S Ramadorai

Chief Executive Officer and Managing Director

In addition to his overall corporate responsibilities, Mr. S. Ramadorai leads on community and environment issues for the company.

N Chandrasekaran

Chief Operating Officer and Executive Director

Manages corporate responsibility in the Marketplace, specifically for customer relationships

TCS's Philosophy on Corporate Governance

TCS Corporate Governance structure consists of a Board of Directors, a Senior Leadership team and a number of Committees.

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TCS adheres to good corporate practices and is constantly striving to better them and adopt best practices. It is believed that adherence to business ethics and commitment to corporate social responsibility would help the Company achieve the goal of maximising value for all our stakeholders. By combining ethical values with business acumen, globalisation with national interests and core business with emerging ones, the Company aims to be among the largest and most respected global corporations. We will continue to focus our resources, strengths and strategies to achieve the vision of becoming a truly global software company while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to the Tata Group ethos.

As a part of the Tata Group, the Company has a strong legacy of fair, transparent and ethical governance practices. We have adopted a Code of Conduct for our employees as well as for the whole-time Directors and the Managing Director. In addition, TCS has adopted a Code of Conduct for the Non-Executive Directors. Both these codes are available on the Company's website. www.tcs.com

The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model (TBEM), the Tata Code of Conduct (TCoC) for Prevention of Insider Trading, as also the Code of Corporate Disclosure Practices. The Company has in place an Information Security Policy that ensures proper utilisation of IT resources.

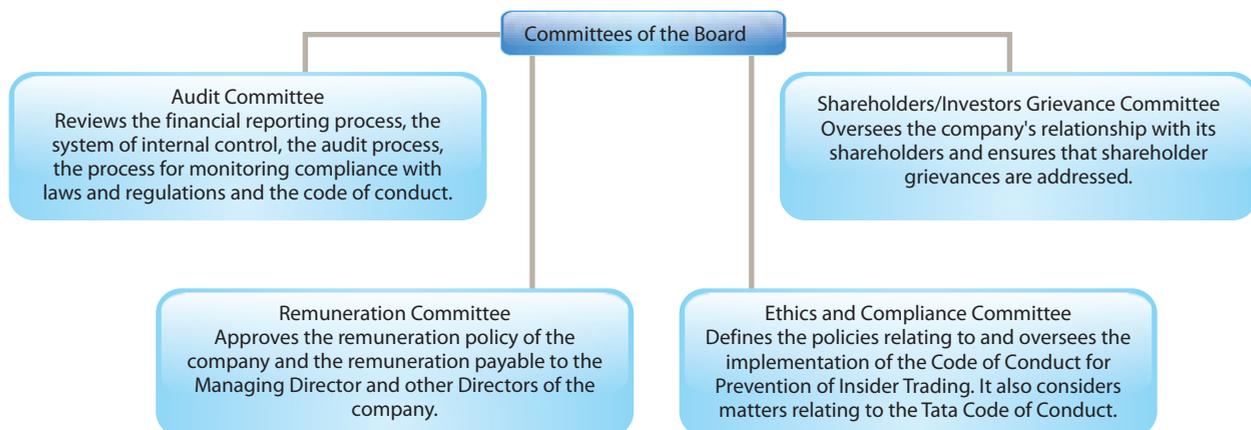
The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges. With the adoption of a whistle-blower policy and the setting up of a Nominations Committee and an Executive Committee of the Board, we have moved further in our pursuit of excellence in corporate governance.

The remuneration for the Board of Directors is paid on the basis of their contribution to the Company at meetings of the Board and also for their contribution outside of the meetings. Compensation is also related to the overall performance of the Company, which includes corporate sustainability aspects. Compensation of the CEO is more directly related to the performance of the Company.

A Director is inducted on the Board with the concurrence of the existing Directors and after a due review of the attributes of the new Director on various aspects, which include economic, environment and social topics. The Directors also examine how the incumbent could contribute to the Company's strategy in general, which includes the above areas.

TCS has also set up a Nominations Committee of Directors, which advises the Board on the need to induct new Directors. This committee is responsible for making recommendations regarding the composition of the Board and in identifying independent Directors to be inducted to the Board. The committee also take steps to refresh the composition of the Board from time to time.

Exhibit 1.6: TCS Corporate Governance



Governance Procedures and Ethics Committees and Counselors

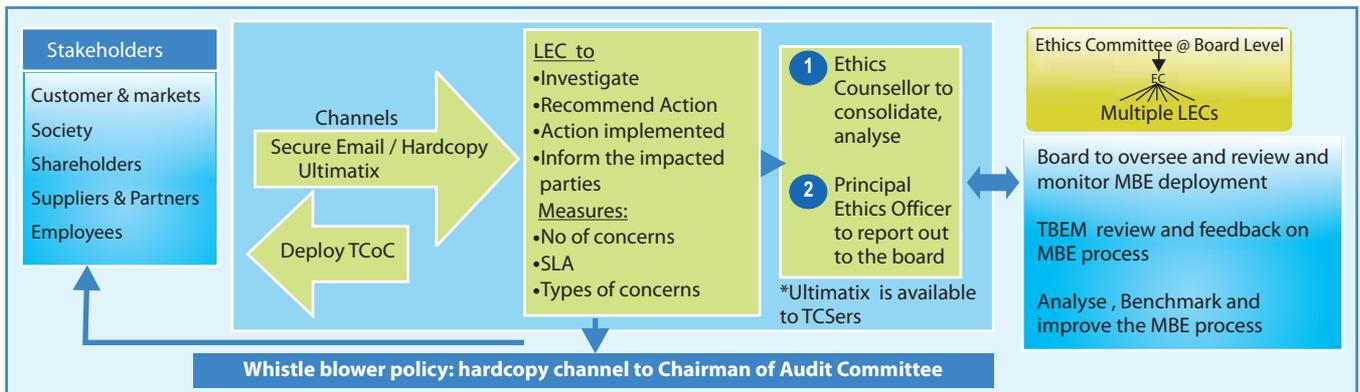
At the board level, an Ethics and Compliance Committee has been set up to ensure tracking of the TCoC, the Code of Conduct for Prevention of Insider Trading, and the Code of Corporate Disclosure Practices to be followed by directors, officers and other employees.

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The mandate of the Ethics and Compliance Committee of the Board of TCS is to ensure tracking of compliance with the Tata Code of Conduct (TCoC), the Code of Conduct for Prevention of Insider Trading, and the Code of Corporate Disclosure Practices by directors, officers and all other employees.

The Committee receives a monthly report on compliance with the above codes. The list of 'Specified Persons' under the Company's Insider Trading Code is also reviewed regularly. TCS has established procedures to deploy the TCoC and to enable employees, customers, suppliers and partners to understand the same in letter and spirit. The leadership team of TCS personally conveys TCS's values and the importance of the TCoC at employee events. Customers and suppliers are made aware of ethical requirements through specific clauses in proposals, contracts, contract discussions, and through the TCS website.

Exhibit 1.7: TCS- MBE Process





TCS receives National award for excellence in Corporate Governance from ICSI - 2007

At the corporate level, a senior executive designated as Ethics Counsellor, who is supported by Local Ethics Counsellors (LECs) at each location, is globally responsible for Management of Business Ethics in TCS (See Human Rights). The LECs and the corporate ethics team take appropriate actions to address concerns raised and report on training and deployment of the TCoC across the organisation. Policies related to the TCoC are reviewed from time to time and changes if any are communicated appropriately across the Company. Concerns about financial dealings are minimal as all critical large payments are governed by well-defined workflows. A dedicated, independent iSecurity team deals with misuse of email or IT systems in conjunction with Human Resources. TCS is the first Tata Company to have a global policy to address Sexual Harassment in the work place.

Key Sustainability Issues

Exhibit 1.8: Key sustainability issues

Key Issues	Main stakeholder s affected	TCS approach	Achievements
Maintain high rates of employee retention	Employees, customers, shareholders	Towards employee retention, we do the following: <ul style="list-style-type: none"> • Continue to invest in world-class facilities • Provide excellent learning and development opportunities to encourage employees' career progression For more details, see Labour Rights section.	TCS has the best retention rate in the IT industry. The 'Investors in People' (IIP) re-certification awarded to TCS UK & Ireland
Ensure Skills development and availability	Employees, academia, community	TCS believes in improving education for all. In addition to our close links with the academia through our formal Academic Interface Programme and our own employee learning and development programmes, we have identified education as one of our key themes for community investment. We continues to expand our Adult Literacy Programme and many employees volunteer to help in schools. For more details, see Labour Practices section.	The AC Nielsen survey of students on technical campuses shows the positive trend of TCS's mindshare in the significant hiring community
Ensure Ethical business practices	Employees, customers, suppliers	The Tata Code of Conduct and Ethics processes provide a framework to promote ethical behavior in the workplace and marketplace. A whistle-blower policy has been implemented to allow concerns to be raised. TCS is defining a responsible off-shoring policy to help ensure that companies looking to move work off-shore do so in an ethical way. For more details, see Human Rights section.	TCS and Tata Group has been rated 6th most respected organisation in the world
Sustain High Customer satisfaction	Customers	Our robust quality management system, iQMS, ensures global standards across all our centres in the world. For more details, see Product Responsibility section.	Customers' awards, rated "Industry Leaders" in Gartner and Forrester reports
Minimise Energy conservation waste	Environment aNGOs, community, shareholders , employees	We are aware of our responsibility to drive for reduction in the impact we have on the environment. Having analysed our current environmental performance, plans are being finalised to deliver further reductions in CO2 emissions, water and paper consumption. A range of other initiatives are being investigated and progress will be reported in future reports. For more details, see Environment section.	Golden Peacock Award for Yantra Park facility at Thane
Work in harmony with Community interested worldwide	Community	TCS has defined policies and procedures for CS framework. Maitree and the CS Group work together with associates and clients on socially important themes. For more details, see the Community section.	Golden Peacock Award for CSR. BitC has rated TCS as "Gold" , that is, overall 91%

Materiality of GRI Indicators

Given the nature of our business and operational model, following are the GRI parameters which are most significant to our business risk and opportunities as well as to our stakeholders.

Categories of GRI Indicators \ Key Stakeholders	Economic	Environment	Labour Practices	Human Rights	Society	Product Responsibility
 Customers	EC1-2	EN26				PR1-5, PR8
 Employees	EC1-2, EC5, EC7	EN29	LA1-14	HR4-5, HR8	S03	
 Supplier/Vendor Partner	EC1-2, EC6	EN26		HR2-3		
 Govt./NGOs/Trade Associations/Academia		EN28			S06-8	PR9
 Society/Environment	EC2, EC7-9	EN1-30	LA11, L12-13	HR4, HR6-8, HR9	S01-8	PR6-7
 Shareholders	EC1-2	EN30		HR1		
 Financial Institutions	EC1-2	EN30		HR1		
 Tata Group		EN30		HR1		

Stakeholder Engagement

Exhibit 1.9: Stakeholder Engagement

Stakeholder	Type of engagement	Awards and recognition
Shareholders	<ul style="list-style-type: none"> • Press conferences • Visits to TCS facilities • Analyst Days 	<ul style="list-style-type: none"> • TCS won the national award for excellence in Corporate Governance -2007 by The Institute of Company Secretaries of India (ICSI) • CFO S. Mahalingam wins CNBC TV18's Best Performing CFO Award in the Technology Sector for 2007
Customers	<ul style="list-style-type: none"> • Customer summits • Events • Visits • Surveys • Reorganisation 	<ul style="list-style-type: none"> • TCS awarded the 'Most Values Partner' award by CISCO's World Wide Sales Processes and Systems IT • Andhra Pradesh Industrial Infrastructure Corporation (APIIC) selects TCS as a strategic partner to define Enterprise Resource Planning (ERP) roadmap • TCS achieves Enterprise-wide Capability Maturity Model Integration (CMMI) Level 5 • TCS wins the prestigious Security Strategist Award 2007 • British Telecom (BT) selects TCS to help deliver its 21st Century Network Test Factory
Employees	<ul style="list-style-type: none"> • PULSE surveys • Dipstick survey • Townhalls/ Open houses • PEEP 	<ul style="list-style-type: none"> • TCS wins the 2007 American Society for Training and Development (ASTD) Best Awards for the third time • TCS wins Recruiting AND Staffing Best IN Class Awards (RASBIC) 2007-08 • TCS tops the DQ Top 20 list again
Suppliers and Partners	<ul style="list-style-type: none"> • Surveys • Alliance Meets 	<ul style="list-style-type: none"> • TCS Global Government Industry Group (GGIG) bags the Prestigious Dataquest Best e-Gov Vendor Award 2008 • TCS wins Three Business Partner Excellence awards at IBM Partner World 2007
Industry bodies, Government bodies, NGOs, Charitable Trusts	<ul style="list-style-type: none"> • Participate in the committees • Seminars • Conferences 	<ul style="list-style-type: none"> • TCS ranked among Top 25 in Business Week's 2007 Information Technology 100 • K. Ananth Krishnan, TCS CTO, featured in list of 'Premier 100 IT Leaders, 2007' • TCS ranked among Top 1000 Global Forbes companies • TCS Banyan Park, Mumbai, receives Urban Heritage Award 2006-2007 • TCS Receives Corporate Citizen Award • TCS tops the prestigious ET500 list of top Indian companies for the second consecutive year • University of California honours TCS with 'Distinguished Corporate Partner Award'

Stakeholder	Type of engagement	Awards and recognition
Academia	SANGAM – Conference of HODS	The AC Nielsen survey for students on technical campuses shows the positive trend of TCS's mindshare in significant hiring community.
Society	<ul style="list-style-type: none"> • Surveys • NGO meets • Stakeholder feedback, 	<ul style="list-style-type: none"> • Gold Band (90%+) in UK Business in the Community Corporate Responsibility Index • EMPI Indian Express Innovation Award Gold Trophy for TCS Literacy Programme • TCS listed in the 50 company Standard & Poor's Environment, Social & Governance (ESG) India Index. (January 2008)



Enabling Rogers Communications
to increase subscriber base and
customer retention.

That's certainty



Rogers Communications Inc. is one of Canada's largest communication companies. Given the ever dynamic competitive scenario, Rogers Communications wanted to enhance the effectiveness of its marketing activities to increase subscriber base and customer retention. The company needed a management information system that could provide information across departments for marketing and sales decision support and customer relationship management. Tata Consultancy Services (TCS) developed a centralized spatial database and a web mapping application for business intelligence activities in marketing. As one of the world's fastest growing technology and business solutions providers, TCS leveraged its expertise in Geospatial Technology & Business Intelligence Solutions to leverage available enterprise data effectively through web mapping capabilities. As the information could be accessed over the intranet, TCS enabled access to information across departments. Empowering the marketing team to take more informed decisions. Leading to an increase in subscriber base and customer retention. And ofcourse, enabling Rogers Communications to experience certainty.

TATA CONSULTANCY SERVICES

Experience certainty.

IT Services ■ Business Solutions ■ Outsourcing

To know how Geospatial Technology Solutions can help your organization experience certainty,
log on to www.tcs.com/eis or email us at corporate.engineering@tcs.com



E C O N O M I C



From CFO'S Desk



S Mahalingam

Chief Financial Officer and Executive Director

Our heritage of returning to society what we earn evokes Trust among consumers, employees, shareholders, and the community. This heritage will be continuously enriched by formalising the high standards of behaviour expected from employees and companies.

Running a large corporation with operations spread over many parts of the world brings with it a number of unique challenges—and the financial dimension is a very critical one.

As TCS has grown exponentially over the last four decades, the scope of the finance function within the company has enlarged considerably. As a consultant who has been with the company since 1970, I have had a ringside seat—managing projects, country operations and global delivery centres—on the journey which has seen this company emerge as a global leader by creating disruptions in the way a variety of IT and IT-enabled services can be delivered to global customers from multiple offshore locations.

A key portion of the finance function is strategic and focused on the long-term prudent financial management and readiness to enable the company to invest for growth on an on-going basis.

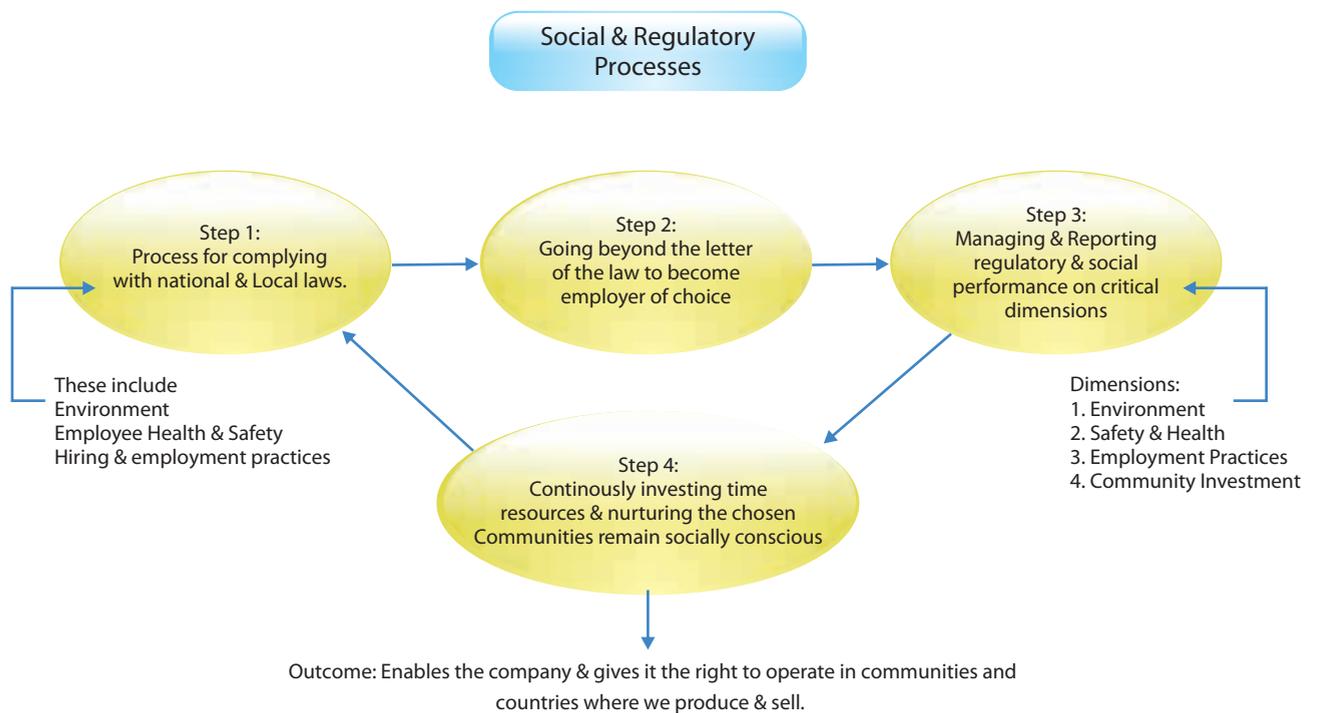
The company is part of the oldest and largest industrial house in India—the Tata Group—and all our business and associated activities are conducted as per the code of conduct established by the Tata Group.

Our heritage of returning to society what we earn evokes Trust among consumers, employees, shareholders, and the community. This heritage will be continuously enriched by formalising the high standards of behaviour expected from employees and companies.

Tata Consultancy Services Ltd. is focused on triple bottom line reporting and has adopted the Balanced Score Card for monitoring the global operations. We have also adopted the Tata Business Excellence Model (which is an adaptation of the Malcolm Baldrige Model) and continuously improved our scores in this comprehensive assessment. We are currently assessed at the Industry Leader level as per this model.

We are also focused on our Corporate Sustainability as a way of life within TCS. The elements of the company's Strategy Map associated with Social and Regulatory Process are shown in Exhibit 2.1.

Exhibit 2.1: Social and Regulatory Process



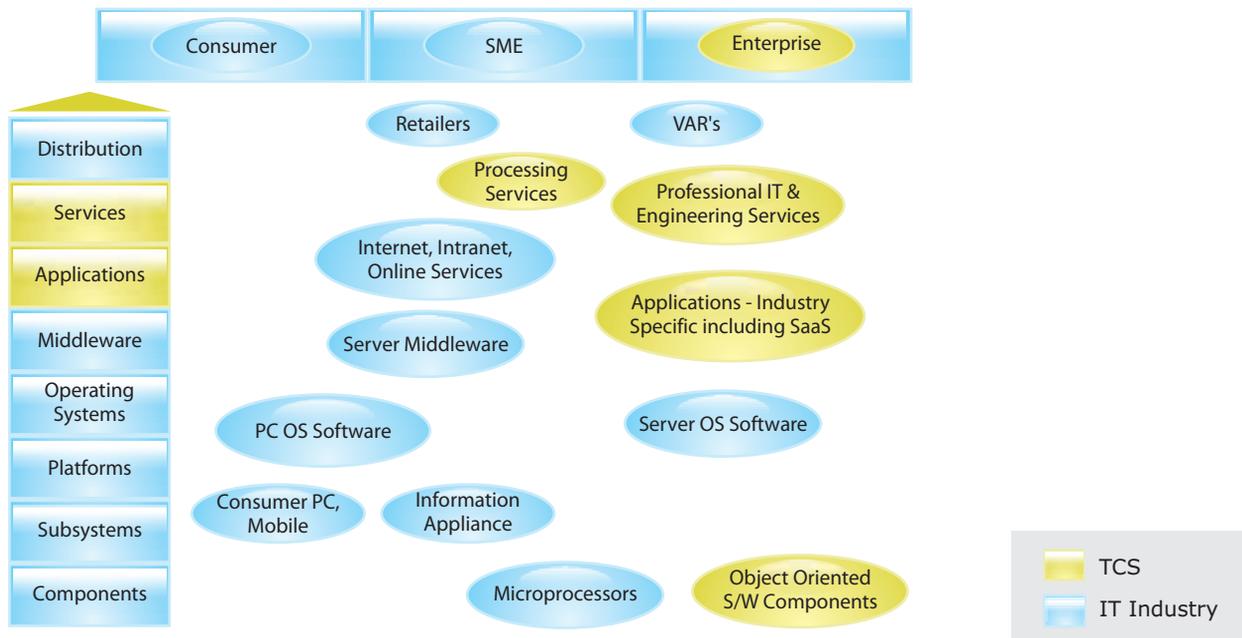
We firmly believe that the reporting practices should ensure transparency and fairness, while at the same time sticking to our stand on not giving guidance, but ensuring that we disclose all factors impacting our environment and our operations. We want constant improvement to be the goal.

The company is committed to ensuring balanced and sustainable performance, which we believe is only possible when economic, social and regulatory (including labour and human resources related), environmental, and community responsibilities are measured and reported to ensure satisfaction of all the identified stakeholders which include Shareholders/Investors, Associates, Alliance Partners, Customers, and Society.

Economic Strategy and Management Approach

IT Industry Structure & TCS's Positioning in the Industry

Exhibit 2.2: IT Industry Structure & TCS's Positioning in the Industry



We, at TCS, have positioned ourselves as an end-to-end IT and business services provider for our global clients.

The global Information Technology industry is a multi-trillion dollar industry with numerous global players. The North American market comprising mostly the United States is the largest market and the major driver of spending and growth in the IT Industry. Moreover, many European Corporate Organisations are increasing their spending on IT and IT-related services. Growth in IT spending is highest in Asia-Pacific and also in Latin American nations.

There are two critical business drivers driving growth in spending in this industry:

- Driving down the cost of IT spending by businesses leading to increasing amounts of outsourcing and off-shoring which have become accepted ways of conducting business.
- Seeking to obtain competitive advantage and time to market for the development of newer products and services by using the 24 X 7 work environment, which is made possible by the convergence of communications (Telecommunications & Networking), computing technologies, consumer electronics, and content availability (knowledge stored in any form) that have made the global village a reality.

We, at TCS, have positioned ourselves as an end-to-end IT and business services provider for our global clients.

TCS's Strategy

The Company's Corporate Strategy can be viewed from two different perspectives. These are:

- Operational Strategy
- Geographic Growth Strategies.

The Operational Strategy is built on three pillars, namely:

1. GNDM™
2. Strategic Acquisitions
3. Integrated Full Services Play.

The Operational Strategy is built on three pillars, namely:

1. Global Network Delivery Model™
2. Strategic Acquisitions
3. Integrated Full Services Play.

Global Network Delivery Model™ or GNDM™

The Global Network Delivery Model™ is much more than having an India-centric delivery model with near-shore centres. The model enables the company's delivery centres to collaborate on projects, leverage all our assets, and work on a follow-the-sun basis if necessary, to ensure 'One Global Service Standard' – through homogeneity in terms of quality, skills, as well as look-and-feel. This gives the company's customers the same experience of certainty, irrespective of whether they work with us in Hyderabad, Hungary, or Hangzhou (China). GNDM™ helps us to build unique value proposition.

During fiscal 2008, we had expanded our operations in Mexico by launching a global delivery centre in the city of Guadalajara, with over 500 professionals. The company also established a delivery centre in Dusseldorf, Germany, during the year. The company has recently inaugurated a new regional delivery centre in Cincinnati (Ohio).

Strategic Acquisitions

The strategic acquisitions done over the years, which have created new capabilities within the company, have started yielding synergistic growth. TCS made a number of small acquisitions in order to plug the gap in our solutions capability and competency. The company also made acquisitions to improve our presence in select geographies.

The acquisitions of Financial Network Services (FNS) in Australia and TKS Technosoft in the recent past have helped the company to have a complete product portfolio in the Financial Services Sector. In 2008, TCS Financial Solutions (TCS FS) was placed in the leadership quadrant of the Gartner Survey for Retail Banking Solution Providers.

Integrated Full-Services Play

The company is increasing its focus on expanding the breadth of its service offerings and capabilities to become a full services provider.

The company's end-to-end IT services offerings are:

- I. Application Development and Maintenance
- ii. Technology Solutions
- iii. Package Implementation
- iv. Systems Integration
- v. Enterprise Solutions
- vi. Business Intelligence
- vii. Assurance Services
- viii. IT Infrastructure Services
- ix. Business Process Outsourcing
- x. Global Consulting Services
- xi. Asset Based Services
- xii. Engineering and Industrial Services

The operational strategy now captures the entire value chain of IT – from consulting to products and solutions and from implementation to support. A recent example of the success of this strategy is the engagement with The Nielsen Company. TCS secured this breakthrough USD 1.2 billion, 10-year BPO and IT services deal with Nielsen in which consulting enabled business transformation, systems integration, outsourcing are all required to play important roles at different stages of the contract.

The Geographical Growth Strategy is based on focused efforts to grow businesses in the major markets and the new emerging markets.

The **Geographical Growth Strategy** is based on focused efforts to grow businesses in the major markets and the new emerging markets.

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Major Markets Strategy

We continue to focus on servicing our clients and growing our business in the major markets we operates in, namely, North America, Western Europe, and the UK and Ireland, where the market size is large. The focus on these major markets would be to service the key clients by extending the core business with newer offerings and acquiring new clients. This focus on key accounts helps the company to push for aggressive growth in the company's established markets using a client-centric strategy.

The company has numerous multi-year relationships established with global multi-nationals in these markets and has been offering a multiple range of services.

New Growth Markets Strategy

We have increased our focus on the growth markets of the Asia-Pacific region and the emerging new growth markets of Latin America, Eastern Europe, Middle-East, and Africa. These markets, though smaller in size, are growing at a much faster rate. The solutions focus for these developing markets will aim to extend the core business in these emerging markets.

This strategic thrust in new markets is beginning to produce the desired results as evinced by our recent win in Mexico of a USD 200 million contract of four years duration. TCS was chosen as a strategic IT partner to IMSS, the Government of Mexico's Social Security Organisation. With over 370,000 employees and providing coverage to over 50 million Mexican citizens, IMSS is the largest organisation of its kind in Latin America. TCS, in the role of the strategic IT services partner for IMSS, will provide end-to-end IT services. This includes services such as application maintenance and support, custom software development, business analysis services, management of strategic IT programs, and value added initiatives for the IMSS and its affiliates.

Market Focus of The Company

The discussions above validate the company's strategy. The company continues to grow in multiple geographies, particularly in mature markets like North America, the UK, and other English-speaking countries. We have increased our focus on the Western European and Asia-Pacific regions- and have been investing in emerging markets such as the Middle East, Africa, South America, and Eastern Europe, identified as future high growth markets.

The Company's Operations and major offerings

Exhibit 2.3: A pictorial representation of the company's global operations is given below.



New Operating Model

In order to move the company to the next level of performance in the servicing of our clients, a new operating model, with the Industry Solutions Unit (ISU) as the driver for future growth, has been put in place. The company has reorganised the global operations into integrated customer-centric units to enhance customer focus, drive operational agility, and address new growth opportunities in the market. The new 'global operating model' will provide customers with a single view of the company, encompassing project delivery and relationship management, and enable a sharper focus on the customer. This new operating model has been effective from April 01, 2008. The purpose of this new customer-centric operating model is to empower the frontline decision-makers to stay focused on serving the customers with agility to achieve customer delight.

The new structure will support greater focus for strategic growth behaviour that will drive non-linear revenue growth. In addition to TCS Financial Solutions and the Small and Medium Business Solutions, the company has constituted a new unit for Platform BPO Solutions. These strategic growth businesses will operate as independent units that will leverage the company's sales, delivery, and customer relationships as required.

In the new operating model, all necessary delivery, domain, and technology expertise and resources will be embedded in these units to promote greater collaboration with the customer. All operating units will be supported by a common group of organisational infrastructure units, such as the Technology Excellence, Process Excellence, Resource Management, and Shared Services groups.

Strategic Growth Businesses

The company has undertaken a number of strategic business initiatives to build emerging businesses in its chosen markets. These are:

- i. TCS Financial Solutions
- ii. Platform Based BPO
- iii. Small and Medium Business

These business units are expected to be major contributors to the non-linear growth plans of the company going forward.

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- i. TCS Financial Solutions
- ii. Platform Based BPO
- iii. Small and Medium Business

These business units are expected to be major contributors to the non-linear growth plans of the company going forward.

TCS' Financial Solutions

Over a period of time, the company has created or acquired a number of software assets, components, and frameworks in the Banking, Financial Services and Insurance (BFSI) domain. These assets cover a wide range of functions and activities in the financial value chain. Over the years, the company has been implementing systems in global financial institutions using these software assets. Since we have created extensive capabilities within the organisation around these products, in April 2007, the company created TCS Financial Solutions as a Strategic Business Unit (SBU) to focus on product-related solutions.

This SBU has been entrusted with the task of creating a global brand and enabling world class engineering and support functions, consultative positioning, marketing, and selling of the software in the Banking, Capital Markets, and Insurance domain. During fiscal 2008, the SBU has achieved the following:

- Adopted a 'one integrated product set' paradigm to accelerate the object and service orientation further.
- Brought all the software products under a common, globally applicable brand called TCS BaNCS.
- Increased the mindshare with thought leaders and industry analysts around our solution capabilities, which has resulted in our products being positioned well.

During fiscal 2008, the business unit has been able to win 47 new deals globally. Currently, there are over 40 ongoing implementations and in the last 18 months, the SBU has successfully delivered implementation certainty to over 50 client installations.

Platform Based BPO

Platform based BPO is a delivery model in which the company utilises a technology platform to provide business solutions based on highly standardised processes. The company owns the process, the underlying platform and applications, as well as the people and infrastructure to deliver the outsourced business process services.

The conceptual and strategic thinking behind the adoption of such a service offering from the company is the emergence of process factories, which are servicing the global organisations that are actively outsourcing their business processes. TCS believes that our ability to create and deliver value to our clients will be superior, where we control the value chain for these process factories. In the Platform-BPO approach, service delivery and the revenue driver moves from being people-centric to being platform and domain-centric.

The strategies that the company has adopted for building these process factories of the future are by using a shared platform, adopting a transformational approach, implementing standardised processes in the client organisation, weaving servicing around the platform, and building world class infrastructure.

Small and Medium Business

The company has launched the Small and Medium Business (SMB) SBU with the objective of offering "IT-as-a-Service" framework to redefine the IT Consumption Model among Small and Medium Businesses. This unit will be focused on meeting the technology needs of SMBs. The company will offer "IT-as-a-Service" in an innovative business model giving SMBs the experience of customised low-cost solutions scalable to their growing business needs.

"IT-as-a-Service" is a subscription-driven model that allows SMBs to scale as they grow and pay as they use. It is hosted centrally on a common platform in order to facilitate alignment of technology adoption to the needs of the business and bring scalability to the business model. The "IT-as-a-Service" model will allow SMBs to take advantage of the company's existing intellectual property, infrastructure and scale, as well as that of our partners. It will provide SMBs with blueprints for business process improvement and deliver integrated end-to-end managed solutions. It also offers flexible pricing options to reduce capital expenditure, manage cash flows, and maximise return on investment. This will help provide SMBs with opportunities for greater cost control and faster go-to-market.

Management monitoring and implementation of Company strategies

The company's senior management team is focused on monitoring and improving the performance of the company. Balanced Score Cards are used as one of the tools to implement these strategies. TCS also uses appropriate dashboards for measuring and monitoring our performance and those of our various businesses and operating units. The use of Balanced Score Cards as a means for attaining the company's desired strategy enables us to monitor the needs of all our stakeholders and ensure their satisfaction. The company's identified set of stakeholders around which all our business reviews revolve are:

Stakeholder/ Review Drivers	Customer	Partner	Associate	Shareholder	Society
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The strategic, tactical, and operational reviews which are conducted by senior management in the normal course of business activities are summarized in Exhibit 2.4.

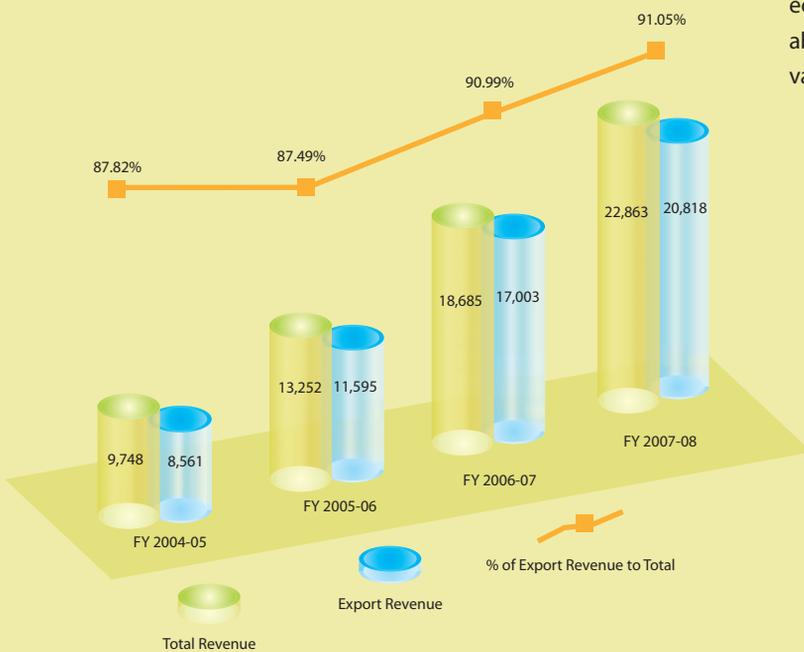
Exhibit 2.4: Frequency of Strategic, tactical, and operational reviews

Business Unit	Participants	Frequency	Level
Strategic Review	Sr. Leadership Team, Unit Heads, Think Tank	M	Strategic
Geography	COO, Geo Head, Geo Sr. Mgmt and Key Members	M	Tactical
Industry Verticals	COO, Unit Head, Unit Members	M	
Service Lines	COO, Unit Head, Unit Members	Q	
Delivery Centres	COO, Unit Head, Unit Members	M	
Functions: HR, Finance, Marketing	Functional Head, Unit Members	M	
Functions: CIO, CTO R&D, IPD	Functional Head, Unit Members	Q	
Subsidiaries: (FNS/Comicrom Diligenta/CMC)	Subsidiary Head, Unit Members	Q	
Relationships	Executive Sponsor, Relationship Head, Unit Members	M	Operational

Economic Performance

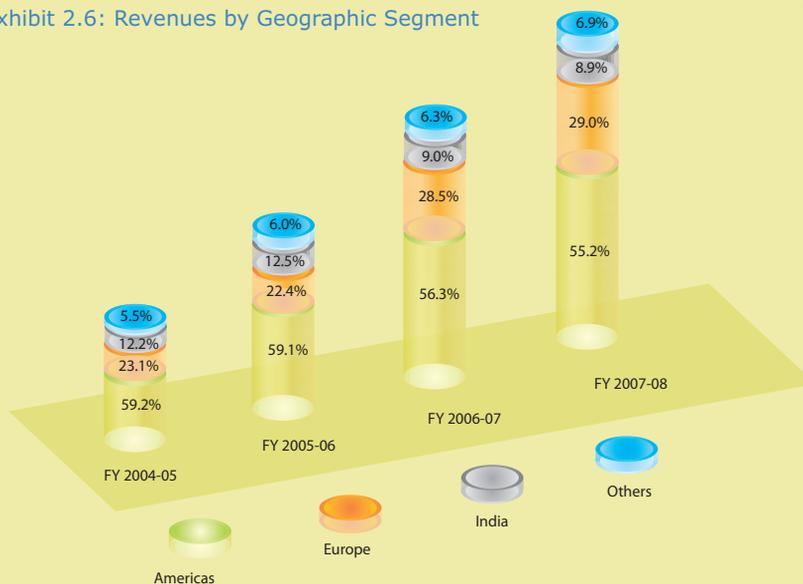
Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. (EC1)

Exhibit 2.5: Direct Economic Value Generated: Revenues and Export Revenues (in Rs. Crore) (1 Crore = 10 million)



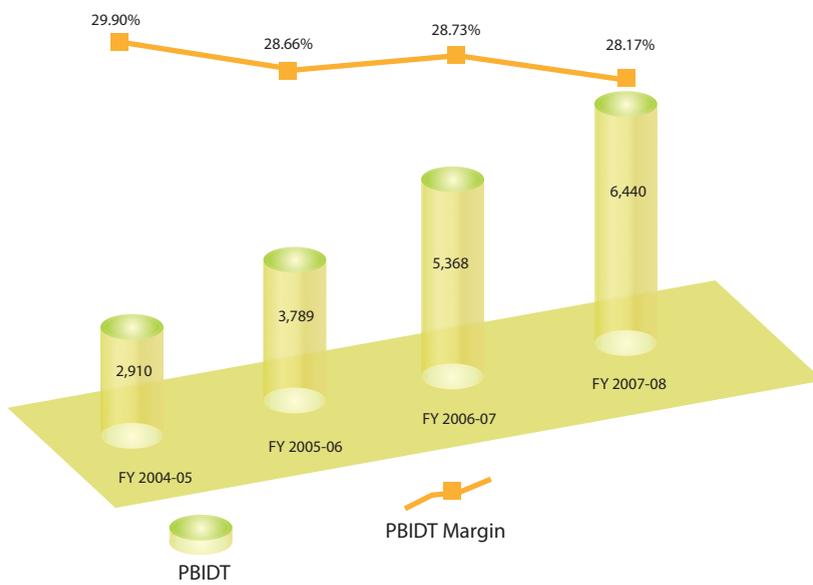
TCS generates revenue through export of IT and Business Services for our global clients. The economic value generated by the company in absolute terms and the export component of this value generation is shown in Exhibit 2.5.

Exhibit 2.6: Revenues by Geographic Segment



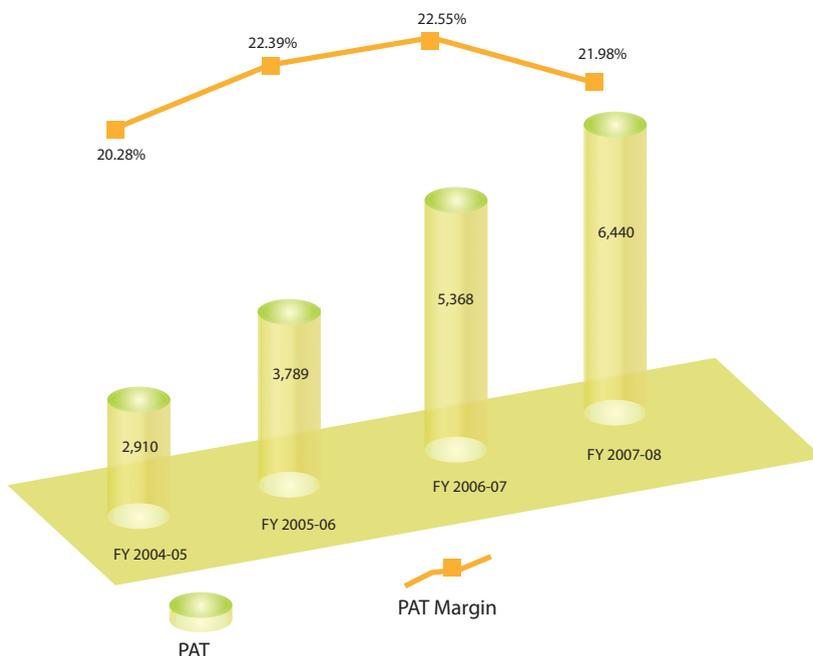
The break-up of revenues by geography over the last four years is shown in Exhibit 2.6. Our largest markets are the Americas (primarily, USA), Europe (primarily, UK), and India. Others include business from the Asia-Pacific region, Africa, Middle-East, and countries in Eastern Europe, among others.

Exhibit 2.7: Profit Before Interest Depreciation and tax (in Rs. Crore) (1 Crore = 10 million)



The company-specific parameters tracked by TCS to monitor and manage our direct economic value generated include: PBIDT and PBIDT Margin (Exhibit 2.7), PAT and PAT Margin (Exhibit 2.8), Earnings Per Share (EPS) (Exhibit 2.9), Revenue Per Employee (Exhibit 2.10), Revenue from Offshore Businesses (Exhibit 2.11) and Economic Value Added (EVA) and EVA margin (Exhibit 2.12). The trends in these parameters over the last four years is shown in the exhibits which are as follows.

Exhibit 2.8: Profit after tax (in Rs. Crore) (1 Crore = 10 million)



PAT of the Company has grown 2.5 times over the last four years. The margin remains steady even in adverse conditions.

Exhibit 2.9: Earning Per Share (Rs. per share)

The Company's Earnings per Share has grown more than 2.5 times over the last four years.

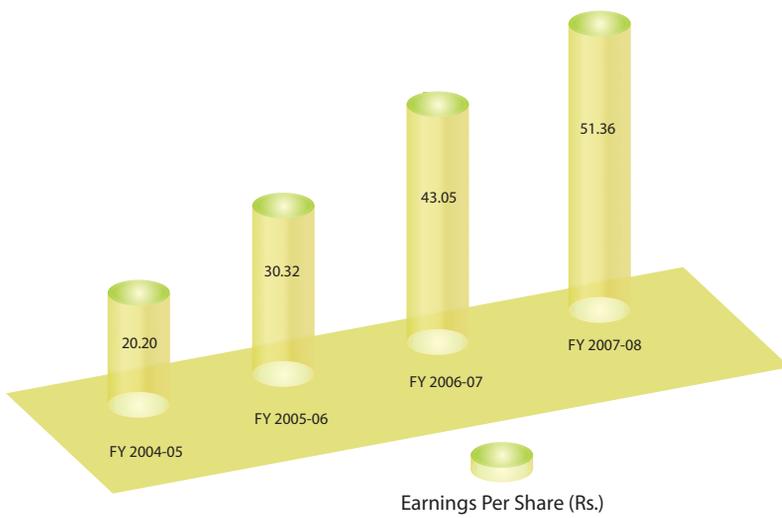
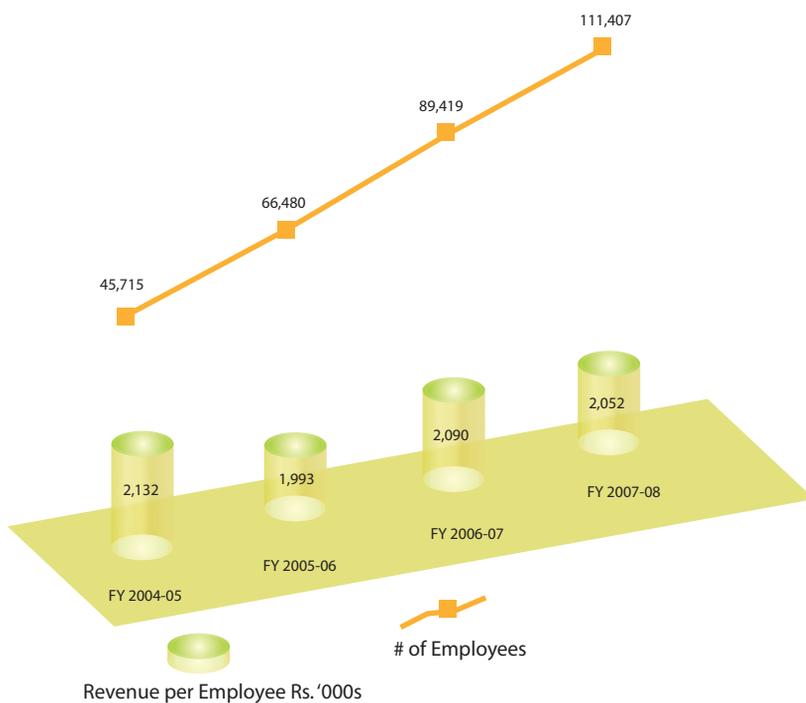


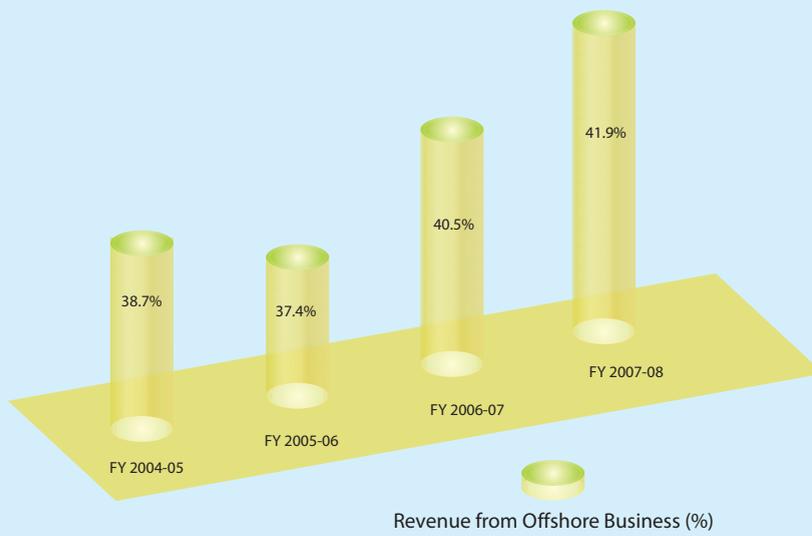
Exhibit 2.10: Revenue Per Employee (in Rs. '000 per employee)

The number of employees has been growing consistently indicating steady growth in the business of the Company. Revenue per Employee has remained healthy due to optimum utilisation of resources.



Economic value distributed

Exhibit 2.11: Percentage of Revenue from Offshore Business



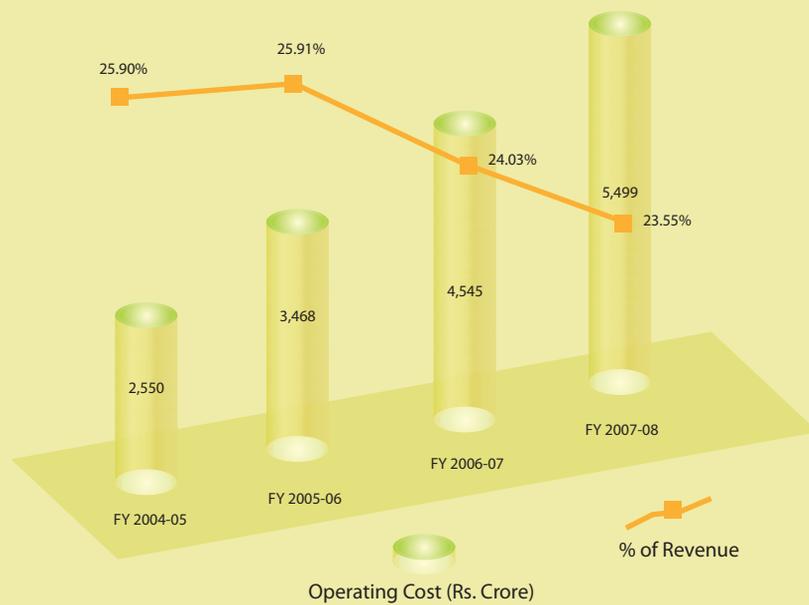
The Company's offshore business is showing a steady upward trend. This is in lines with the Company plans to increase the offshore component.

Exhibit 2.12: Economic Value Added (in Rs. Crore) (1 Crore = 10 million)



The Company continues to deliver EVA growth consistently. The EVA margin on our unconsolidated revenue has remained in the range of 19 to 20 percent during last four years.

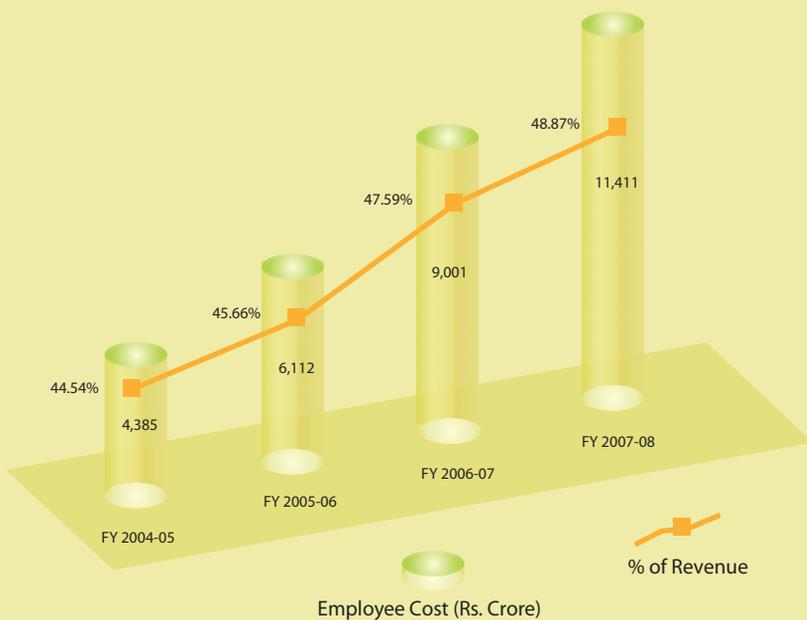
Exhibit 2.13: Operating Cost as a % of revenue (in Rs. Crore) (1 Crore = 10 million)



Operating Costs which constitutes payments to suppliers and all other non-employee related payments.

The company's scale of operations has increased manifold over the last four years and, correspondingly, the operating expenses constituting primarily payments to suppliers of services and products to our global entities has increased in absolute terms. Strong operating cost control measures have ensured that these expenses, as a percent of revenues, are controlled and reduced.

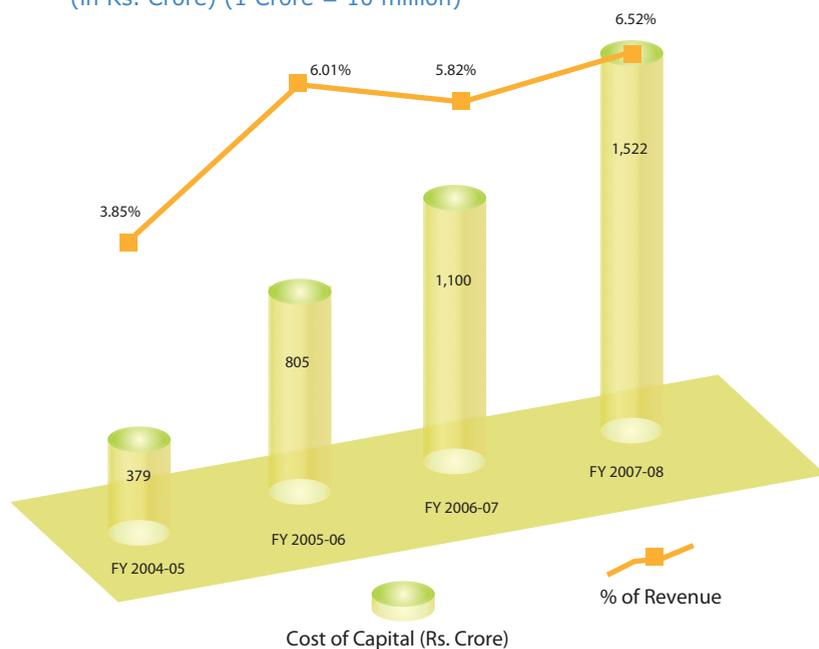
Exhibit 2.14: Employee Cost as a % of revenue (in Rs. Crore) (1 Crore = 10 million)



Employee Costs

The company's compensation to our growing global workforce is showing a steadily upward trend in both absolute value and also as a percent of revenues.

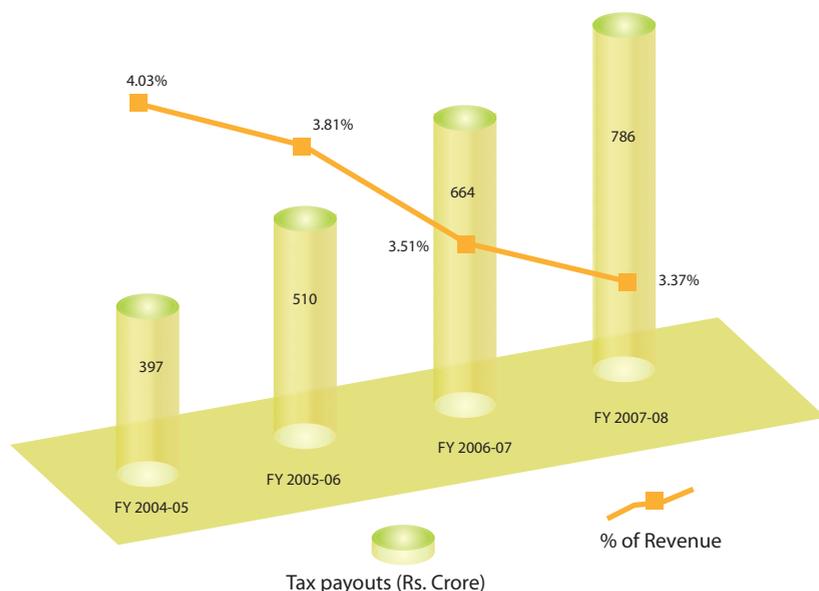
Exhibit 2.15: Cost of Capital as a % of revenue (in Rs. Crore) (1 Crore = 10 million)



Payments to providers of Capital (that is, Interest and Dividend Payments)

The Dividend Payouts to equity shareholders has been steadily increasing in both absolute terms and as a percentage of revenue. Interest expenses and corresponding payouts to lending institutions are very small in both absolute terms as well as a percentage of revenue as the company has very limited borrowings.

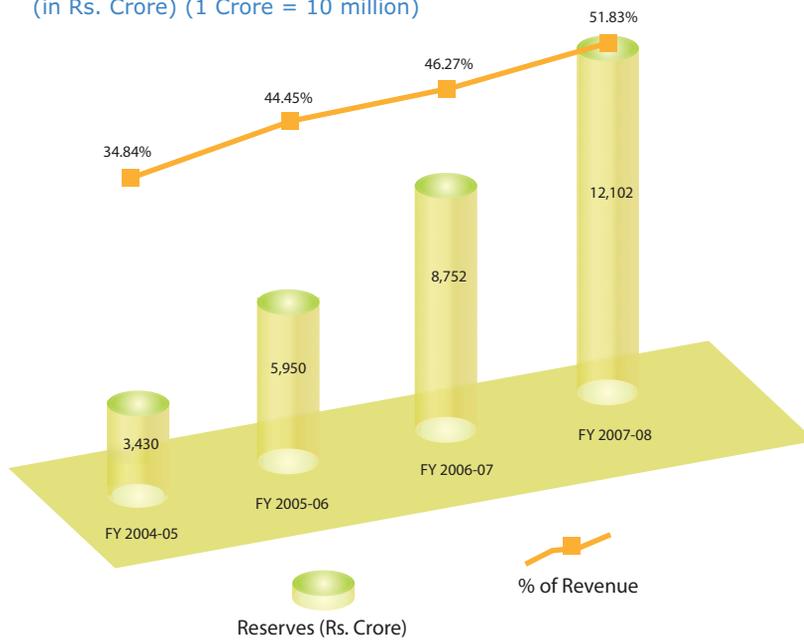
Exhibit 2.16: Tax payouts as a % of revenue (in Rs. Crore) (1 Crore = 10 million)



Payments to government

Though payouts to governments in absolute terms has almost doubled in the last four years, the percentage of these tax related payouts as a percentage of total revenues in the respective period has declined. This is because of optimum tax management and execution of projects from lower tax jurisdiction countries.

Exhibit 2.17: Reserves as a % of revenue
(in Rs. Crore) (1 Crore = 10 million)



Reserves and Surplus

Economic value retained to fund future growth plans of the Company

Involvement with the Community

Please see the Community Section of the same document.

Financial implications and other risks and opportunities for the Organisation's Activities due to climate change. (EC2)

The nature of TCS's business does not contain highly polluting processes. In spite of this, we are committed to environmental management as a vital responsibility. We are moving forward in this area- and certifying all our centres for ISO 14001. We are also raising awareness amongst all our associates and partners; thereby, promoting concern for the environment. Our greatest contribution to the environment is in the potential our services and solutions in Information Technologies have to offer, in order to help our clients contribute towards improving environmental management and benefiting the society at large. Specific indicators related to financial implications of climate change are placed at the Governance level as part of the enterprise-wide Risk Management efforts in the company.

As part of the Board level review processes, the company's Board of Directors reviews the enterprise-wide risk register on a quarterly basis and the environment related risks are reviewed as part of this quarterly review.

The Enterprise Risk Management (ERM) process quantifies the risks identified in terms of likelihood of their occurrence and severity of impact. Based on this assessment and the risk score, these are classified as high, medium, and low risks. All high and medium risks so identified along with the proposed mitigation plans are shared with the Board of Directors for discussions and further actions.

The company has actively taken up "Green IT" and is offering environmental consulting and associated IT services as part of its suite to clients. Also, the company's Financial Services Units (TCSFS) is the first unit to offer a software program to help our clients track and address the trading in carbon credits which is becoming a big business.

We plan to bring our carbon footprint down by approximately 25% by 2020. A comprehensive project plan along with financial implications for achieving this target is currently being prepared for the Board of Directors' approval.

Coverage of the organisation's defined benefit plan obligations. (EC3)

TCS's contribution to different benefit schemes is as follows:

TCS's Retirement Benefits Schemes are aligned to the labour legislation of the countries of operation.

Exhibit 2.18: Benefit Scheme for Employees in some major geographies

Country	Retirement Benefits	Type	Employer Contribution
India	Provident Fund	Defined contribution plan	12%
India	Superannuation	Defined contribution plan	15%
India	Gratuity	Defined benefit plan	NA
USA	401K	Defined contribution plan	100% match on the first 3% of employee contribution and 50% match on the next 2 % of employee contribution.
UK	Pensions	Defined Contribution, Defined Benefits	TCS directly hired emps - 4% of Base Pay TUPE'd Emps - 6% - 25% of base pay

Market Presence

Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation (EC5)

Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation (EC6)

In all our areas of operation, TCS's remuneration to the employees is significantly more than that specified by the Minimum Wage Laws in the respective countries. In some of the major markets where we operate, we pay substantially more than the prevailing market rates to local employees with appropriate skills and management talent required by the company in order to attract and retain such talent. The scarcity of talent continues to be a challenge for all the IT services companies in the industry.

Local market spending, for the data shown, has been collated from two sources:

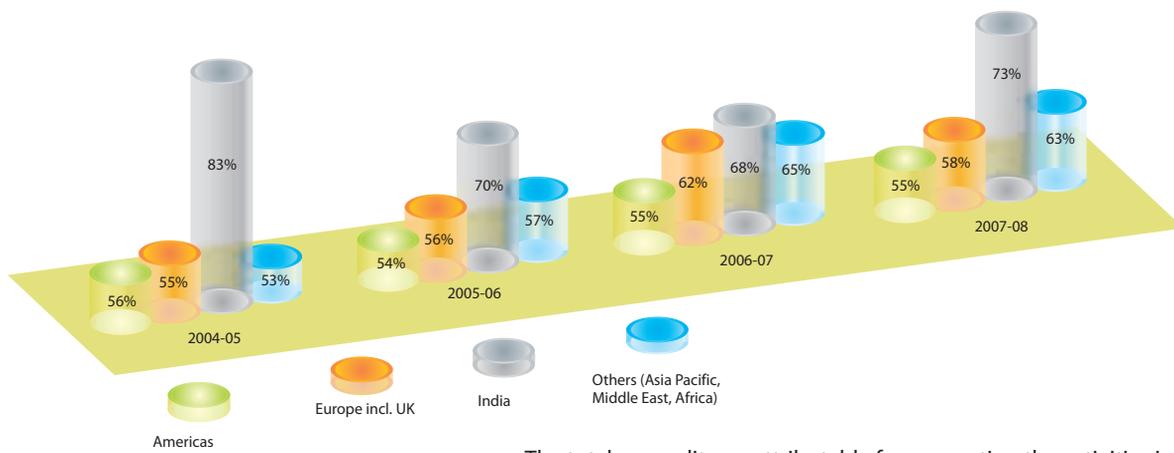
- The amount spent on TCS subsidiaries at each location
- The amount incurred by standalone units in each location.

In the last few years, we have started operations in several new countries. This business expansion has introduced us to new markets; our ability to identify and attract talented professionals locally has brought diversity in our operations and served to enrich our business approach.

Today, we have seasoned professionals who have brought a breadth of experience, industry knowledge, and the ability to lead a team to new business heights. The approach of absorbing local talent is a conscious effort on our part to integrate with the country in which we choose to do business. It has brought about greater efficiencies in business, even as we are able to contribute better to the local community.

The local market expenditures in the major geographies where we operate are shown graphically in the Exhibit 2.19 – this is based on our audited segment results of the last four financial years.

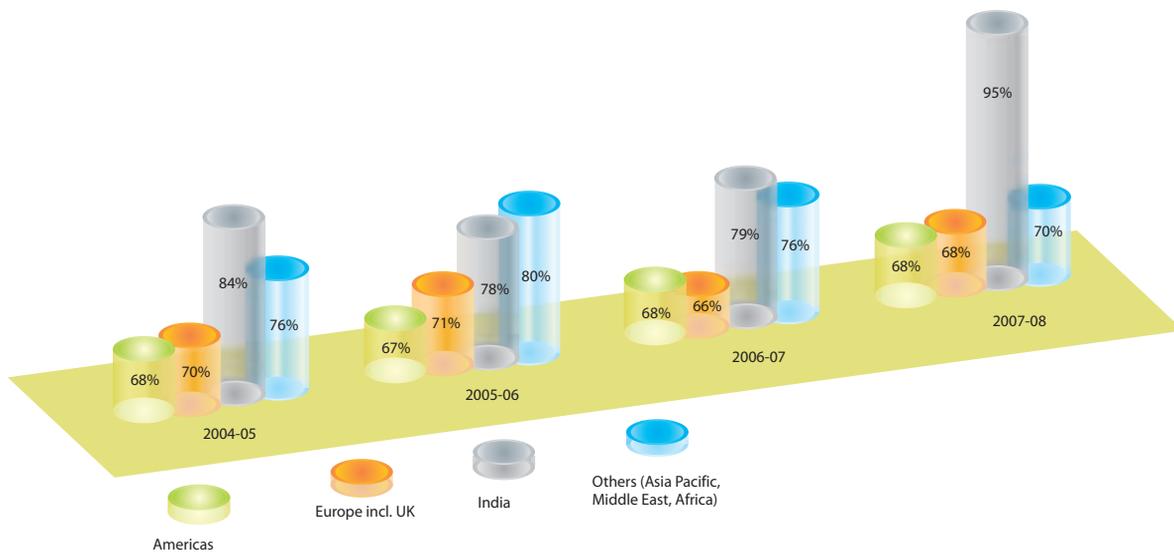
Exhibit 2.19: Local Market Expenditures as a % of Revenues



The total expenditures attributable for supporting the activities in these major geographies is also shown in Exhibit 2.20. These expenses include the expenses incurred globally for supporting the business activities in these geographies.

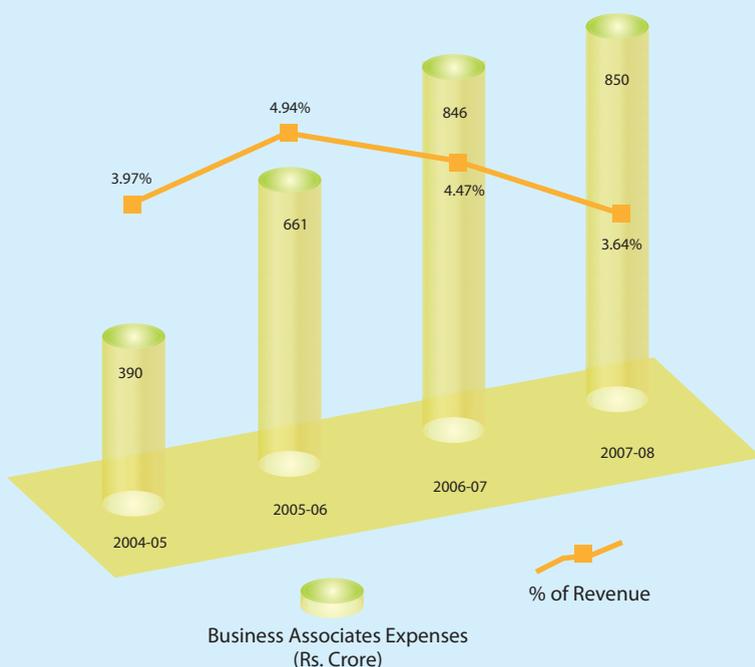
**data reported for previous year was only for TCS whereas this years data includes all global subsidiaries*

Exhibit 2.20: Expenditures as a % of Revenues



Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation (EC7)

Exhibit 2.21: Business Associates Expenses as a % of revenue (in Rs. Crore) (1 Crore = 10 million)



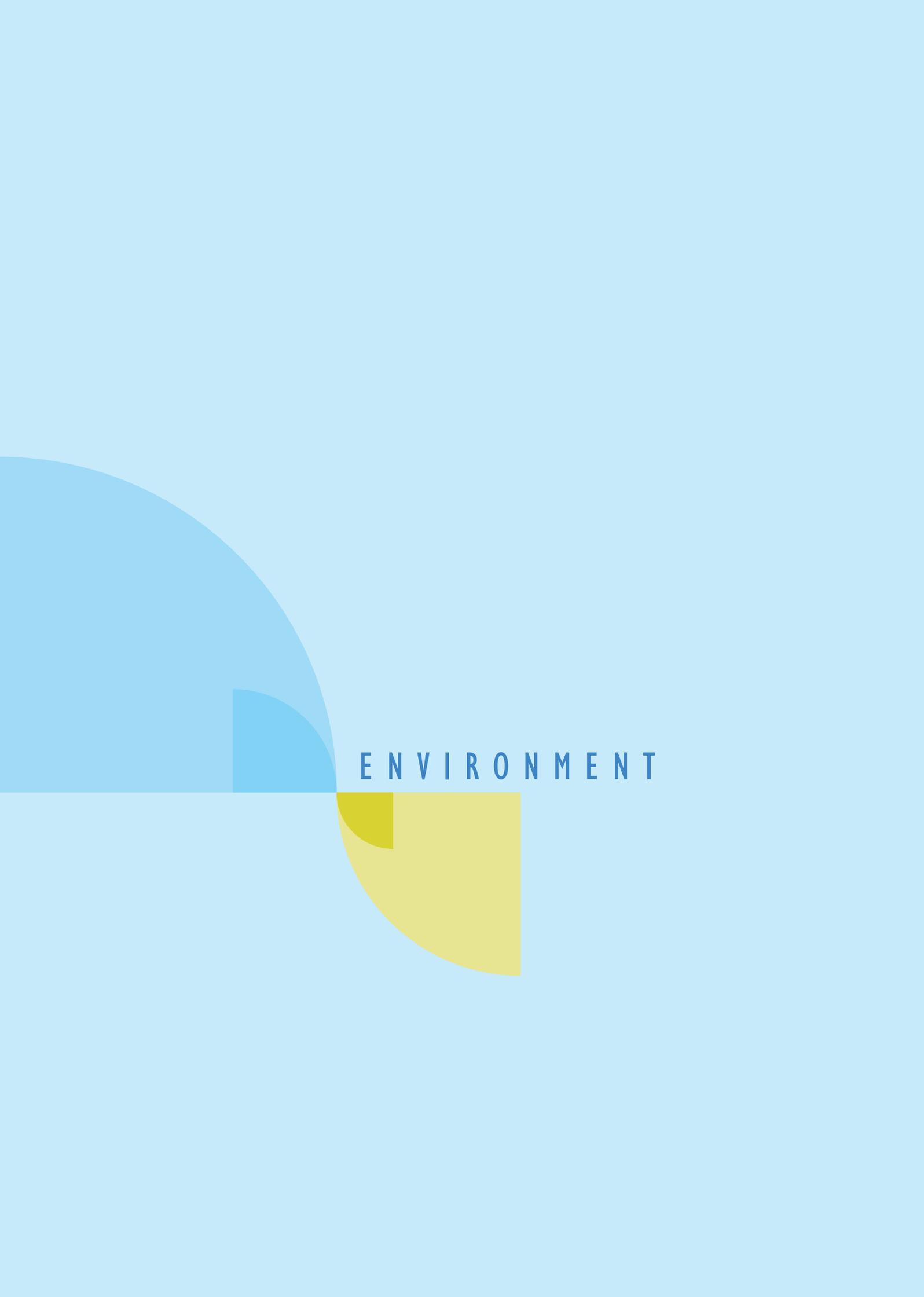
In addition to our employees, we hire locally in more than 67 countries across the globe. We also have a structured programme for attracting, retaining, and using the services of business associates with specialised skills and technology, and domain competencies, as appropriate for the execution of complex Information Technology projects we execute across the world. These business associates who are generally local employees in the countries in which we operate in are highly qualified and competent information technology and business professionals who are leaders, team members, and critical resources of our business strategies. The Exhibit 2.21 shows the expenditures on such business associates over the last four years.

The expenditures on business associates have more than doubled over the last four years. Many business associates are actively recruited by the company to become employees of the company and as a result the global workforce composition over the last three years has shown an increase in non-Indian nationals (from more than 67 nationalities) are 9.2% of the company's employees.

'Senior Management' refers to the top two levels of management in the company which comprise Principal Consultant and above. These individuals perform a vital role in the operations of the Company. At significant locations, we have 80% senior management hired from the local community.

Since TCS is an organization with its headquarters in India and moreover which has 66% of its operations within India, there are 0% Non-Indian managers at Indian locations. In future we see the scenario changing with the economy of India appreciating.

In most regions, the operational and management control of TCS's subsidiaries continues to be in the able hands of local senior management employees, assisted by Indian expatriate management and support staff who have become part of the local companies.



ENVIRONMENT

Environment Strategy and Management Approach

The main objectives of the policy are:
To prevent pollution.

To comply with all identified/applicable legal and other requirements to which the company subscribes.

To demonstrate continual improvement.

Continuing the Tata Group tradition, TCS proudly confirms the will, intention and commitment towards sustainable development. We consider the environment as an integral part of our strategic development model. TCS has been taking various measures to achieve the target of continual sustainable development. TCS is committed towards the welfare of the environment. TCS has been reporting the environment performance as per Global Reporting Index since 2006. We are sensitive towards the environmental impact of our business operations, which include Consulting & IT Services, BPO, IT Infrastructure Services, Engineering & Industrial Services and Product Based Solutions.

TCS has a dedicated Health, Safety and Environment (HSE) team that was started in 2006. The team strength has increased multi-fold in 2007-08. This clearly demonstrates the aggressive drive and continuous acceptance of our HSE initiatives across more than hundred thousand employees. TCS's senior management showcases our commitment towards the environment and sustainable development through our Environment Policy, signed by our CEO, Mr. S Ramadorai, on 15 March 2007. The policy continues to focus on environment conservation as an essential element of TCS's business philosophy and infrastructure.

The main objectives of the policy are:

- To prevent pollution.
- To comply with all identified/applicable legal and other requirements to which the company subscribes.
- To demonstrate continual improvement.

Exhibit 3.1: Number of ISO 14001:2004 certified centres

Year	Absolute (Nos)
2006-07	12
2007-08	19

TCS being an IT organisation has limited impact in terms of environmental pollution. We only consume common natural resources to a limited extent and are not involved in processing or utilising hazardous material or polluting substances. TCS has 19 major delivery centres that are ISO 14001:2004 certified. TCS has a robust environment management system and is implemented across the organisation. TCS has a pool of certified ISO 14001 lead auditors to drive the ISO 14001 initiative across the organisation.

** The data and exhibits provided in this section covers only Indian delivery centres (owned and leased) which constitutes 66% of overall TCS operations.*

Exhibit 3.2: Environment Targets 2007-08

Environment Targets 2007-08		
Activity	Target	Percentage of Achievement
Reduction in Electricity consumption	5%	+ 6% *
Reduction in water consumption	2%	6%
Waste recycling through vermiculture and bio-digester	25%	11%

* Data includes increase in electricity consumption on account of additional data centres in existing facilities and commissioning of new delivery centres.

Exhibit 3.3: Environment Targets 2008-09

Environment Targets 2008-09	
Activity	Target (in comparison with 2007-08)
Environment Responsible E-waste Disposal	100%
Environment Responsible Used Printer Cartridge Disposal	100%
Increase in Recycled water	100%
Increase in Rain Water Harvesting/Ground Water Recharging capacity	10%
Increase in Solar Water Heater Capacity	10%
Reduction in Power Consumption	5%
Reduction in Paper Consumption	2%
Renewable Cooking Gas	25% (base year)
Increase in Manure	25%

At TCS, we review the environment targets on a financial year basis. Measures include continual awareness programmes, identifying and executing upgrades in existing activities or procedures, adopting new techniques and technologies and so on.

The various measures that TCS has adopted to meet our environment targets include:

- Automatically turning off power on the PC monitors or computers after 15 minutes of idle time
- Constantly maintaining the air conditioning temperature at 24°C
- Encouraging employees to switch off the monitor and PC before leaving
- Energy saving lighting techniques such as “alternate lighting”—in a succession of lights, keeping every alternate light off and maximising usage of day light
- Reducing elevator usage by operating only a percentage of lifts available
- Using intelligent lighting systems, Compact Fluorescent Lamps(CFLs)
- Using solar water heaters
- Increasing awareness of minimising resource wastage
- Following the policy of Reduce-Reuse-Recycle resources
- Incorporating vermiculture technology to convert bio-degradable waste to manure
- Treating waste water utilised in the centres for sanitation, gardening, chillers and so on

Green Procurement Policy

The objective of our Green Procurement policy is:

Reduce –Reuse- Recycle
Buy Recycled
Green the Supply Chain

TCS practises the commitment to green the supply chain through our Green Procurement Policy. We create a pool of green suppliers for our business operations and promote sustainable development by integrating the environment performance considerations in the procurement process. We have in place a Green Procurement Questionnaire and Evaluation procedure, which is a transparent activity carried out periodically to develop our pool of Green Supply chain. Our Green Procurement Policy is being practised in spirit across the organisation.

The objective of our Green Procurement policy is:

- Reduce –Reuse- Recycle
- Buy Recycled
- Green the Supply Chain

TCS is committed to consider the environmental aspects, potential impact and cost associated with the life cycle of goods and services being acquired.



Server room- TCS Yantra Park

The focus areas of the Green Supply Chain are:

- Promoting procurement from Energy Star Partners
- Procuring low energy consumption desktop configuration
- Procuring laser printers with GREEN functionality
- Procuring servers with low voltage CPUs and low wattage storages and server racks with efficient cooling system

Green Infrastructure

Exhibit 3.4: Number of Proposed LEED Buildings

Number of Proposed Leadership in Energy Efficient Design (LEED) Buildings		
Year	No.of centers	Name of the centers
2007-08	3	Bhubaneswar - Platinum
		Siruseri - Gold
		Trivandrum - Gold

TCS is working progressively towards Green Infrastructure. Energy efficiency, optimum resource utilisation, best environment technologies, environment responsible architecture and designs are being prioritised for all new establishments. We are developing three Green Buildings / LEED certified development centres. We aspire to demonstrate best environment technologies to address and mitigate all possible environment concerns in all new development centres. All desktops are being substituted with Thin-film Transistor(TFT) monitors in a phased manner. 100% TFT procurement is being practised since 2006. **(EN7)**



Green Building - TCS Siruseri - Proposed LEED Gold rating

The built up area of the building is 126122 sq ft., and the capacity is 1003 associates

Resource Reuse Percentage- 5 %

Percentage of Recycled Content - 20 %

Local/Regional Materials Percentage- 50 %



Green Building- TCS Bhubaneswar
- Proposed LEED Platinum Rating

Green Building- TCS Bhubaneswar- Proposed LEED Platinum Rating

TCS-Bhubaneswar is our first building being developed to achieve the LEED Platinum rating. In this context, we would like to share the green features of our first LEED platinum premises.

- The built up area of the building is 126122 sq ft., and the capacity is 1003 associates
- Resource Reuse Percentage- 5 %
- Percentage of Recycled Content - 20 %
- Local/Regional Materials Percentage- 50 %
- This centre will have the most practicable environment friendly initiatives like rain water harvesting system, bio-digester plant, solar systems, and waste management practices.
- The North and West side of the building is covered with thermally insulated walls to protect it from the harmful rays of the sun. The roof has over deck insulation.
- The ratio between the wall and windows is 36.8.
- The windows are fitted with Sunergy Azur Double Glazing with U-Value, shading co-efficient and visible light transmittance.
- The Heating, Ventilating, and Air Conditioning(HVAC) system consists of Chillers with high Coefficient of Performance.
- The HVAC system comprising a calorifier generates hot water for the kitchen.
- Day lighting sensors are added in the office area.

All these measures are expected to result in energy savings of 30.81%.

Resource Consumption

Material (EN1)

Exhibit 3.5: Paper Reams consumption/employee/month

Paper Reams consumption/1000 employee/month		
Year	Absolute (Reams Nos)/ employee/month	Comparative reduction in 2007-08 (%)
2006-07	304	25%
2007-08	230	

Exhibit 3.6: Printer Cartridge consumption/1000 employee/month

Printer Cartridge consumption/1000 employee/month		
Year	Absolute (Nos)/ 1000 employee/month	Comparative reduction in 2007-08 (%)
2006-07	18	45.50%
2007-08	10	

- Paper consumption/employee/month has demonstrated a declining trend by approximately 25% in 2007-08
- Printer cartridge/employee/month consumption has decreased by approximately 45% in 2007-08
- 100% of the used printer cartridges are returned to vendor.
- Use of excessive packaging is discouraged
- TCS has demonstrated 100% Environment regulatory compliance in 2007-08
- International conventions like Montreal Protocol, Basel Convention, Kyoto Protocol and WEEE Directives are being followed
- TCS is working towards zero waste disposal
- Zero discharge at 12 TCS delivery centres
- TCS has an E-waste Management Policy, which is implemented rigorous. 100% of the E-waste is given to E – waste handlers/recyclers, who are certified by Ministry of Environment and Forest for environment responsible disposal
- At TCS we try to enhance the life of the hardware by using it for 5 years, by applying minimal maintenance cost instead of regular tenure of 3 years

Energy (EN4)

Exhibit 3.7: Indirect Energy Consumption by source

Indirect Energy Consumption by source		
Source	2006-07	2007-08
Electricity from power grid (mwh)	168157	236386
Diesel for Diesel Generators (m3)	not measured	3551

Exhibit 3.8: Electricity Consumption/ employee/ month

Electricity Consumption/ employee/ month		
Year	Absolute (Kwh)/ 1000 employee/month	Comparative increase in 2007-08 (%)
2006-07	285	6.00%
2007-08	303	

Owing to our nature of operations, TCS is an indirect energy consumer. The sources of electricity include power grid and diesel for diesel generators used in the absence of power grid supply. Our 24x7 operations and data centres make electricity an integral part of our business operations. In India, smart grid sources are not known. The exhibit 3.7 shows details on our Energy consumption. In 2006-07 Diesel consumption for DG sets were not measured. There was increase in electricity consumption on account of additional data centres in existing facilities and commissioning of new delivery centres. Increase in absolute electricity consumption demonstrates an increase in electricity consumption / employee per month by 6% in 2007-08. Going forward, we propose to track data centre electricity consumption, operation facility electricity consumption and under construction facility electricity consumption separately.



Rangoli - by TCSers during Environment Week celebration

Water (EN8)

Exhibit 3.9: Water consumption by source

Water consumption by source	2006-07 (cubic meters)	2007-08 (cubic meters)
Municipal	617128	731074.4
Bore well	not measured	242553.1

Exhibit 3.10: Water consumption

Water consumption	2006-07		2007-08	
	Percentage	Absolute	Percentage	Absolute
Fresh water (m3)	94%	617128.7	85.16%	973627.5
Recycled water (m3)	6%	37027.68	14.84%	144452.5

Exhibit 3.11: Water consumption data in cubic meter/person/month

Year	Normalised Figure	Comparative reduction in 2007 - 08 (%)
2006 - 07	1.311	6%
2007 - 08	1.234	

Exhibit 3.12: Quantity of Sewage Water Treated

Quantity of Sewage Water Treated		
Year	Absolute (m3)	Comparative increase in 2007-08 (%)
2006-07	44713	215%
2007-08	140612	

Water is considered a scarce resource and utilised with utmost efficiency. Water consumption has reduced by 6% /employee per month in 2007-08. This has been the cumulative result of awareness, controlling wastage, recycling and reusing water, rain water harvesting, ground water recharging, sewage treatment plants and so on. Rain water harvesting and ground water recharging is practiced at all locations where it is practical. The sewage treatment plants are running efficiently. The treated water is utilised for chillers, gardening, flushing and so on. This reduces our dependency on bore wells and municipal water or fresh water consumption. The exhibits detail the water consumption by source in 2007-08. Approximately 15% of the total water is recycled compared to 6% in 2006-07. This has been possible through increased capacity of sewage treatment plants, rain water harvesting, and ground water recharging.

(EN21)

Quantity of water treated / recycled has increased by 215% in 2007-08. Quantity of Rain Water Harvested/Ground Water Recharged capacity in 2007-08 = 34641 cu. m. (Base Year)

(EN10)

Biodiversity

Case Study TCS-Yantra Park Thane - India

TCS-Yantra Park comprises 10 buildings namely Atithi, Vayu, Agni, Aakash, Jal, Prithvi, Gyan, Ruchi, Sangam, Seva and Yojana.



Biodiversity refers to variety & variability of life present on the earth. It plays very significant role in providing basic life support services for survival of human beings. Biodiversity & business operation can be considered in terms of three important issues such as provision of ecological services, aesthetic working environment and ethical aspects. Maintaining a healthily (Biodiversity) and stable environment ensures the twin goals of conservation & sustainable economic development. **(EN11 - EN14)**

Yantra Park

- Houses around 3500 software engineers who carry out software development work for major national and international organisations
- Has been developed on the lines of a campus in a 13.5 acre area
- Boasts of five state-of-the-art software development centres
- Has a modern training block
- Contains a highly secure Data Centre
- Has a modern record room
- Has a 700-seater cafeteria
- Has a 214-seater auditorium

Being a part of the Tata Group, TCS values sustainable development as an inseparable aspect of the potential growth of the organisation. TCS has considered environment sustenance right from the inception of Yantra Park.

Yantra Park, ISO 14001:2004 certified centre and winner of the Golden Peacock Environment Management System Award 2008

Installation of Nest Boxes on Native Plant Species at:

The benefits of our various environment programmes include awareness, resource conservation, revenue due to optimum usage of resources, visibility, customer satisfaction, decreasing pollution and waste management. TCS employees and their families develop environment/energy conservation and concern in the society at large.

At TCS-Yantra Park, the thrust areas include Reduce-Recycle-Reuse, Sustainability, Optimum resource utilisation, energy efficiency, strategic and eco-efficient landscape, zero waste disposal, pollution prevention, and enhanced bio-diversity.

Salient Features:

- **Landscapes:** In all, 13.5 acres of land at Yantra Park has been landscaped in an environment friendly manner. It houses approximately 400 types of flora covering various endemic and exotic species maintained efficiently across the centre at strategic locations. This helps to reduce the overall temperature at the centre and hence conserve energy.
- **Bio-diversity:** Yantra Park is rich in bio-diversity. We carried out a detailed bio-diversity study of Yantra Park to develop plans to enhance the existing flora and fauna. Bio-diversity enhancement plans were developed. As Yantra Park retains a large number of native trees that act as a habitat for birds, we have specially designed and deployed nest boxes, grain feeders, and water baths at nesting/breeding sites. The Baubao tree—a rare species—stands tall at Yantra Park. Various bio-diversity awareness programmes are conducted periodically.



Main Gate



Jal Building



Cafeteria



Solar Plant - TCS Yantra park

- **Environment and Energy Efficient construction:** TCS-Yantra Park has 10 buildings constructed with extensive amount of glass facades. The height of the buildings is designed on the basis of the height of the flora in the centre. Maximum day light utilisation concept is practiced efficiently. The centre provides a nature friendly ambience and eco-efficient landscaping. Seating and leisure space is structured in the shade of plantations. LED lighting systems are provided at strategic locations. Intelligent lighting systems are provided in conference rooms. CFL bulbs are fixed at strategic locations and so on.
- **LED lighting systems:** LED Lighting Systems are utilised at the periphery and for outdoor lighting purposes. This enables power conservation. CFL: CFLs are utilised for indoor lighting systems. This enables power conservation.
- **Low height buildings and glass façade systems:** TCS-Yantra Park has been constructed strategically to utilise maximum natural light. The design and execution with extensive amount of glass façade has ensured maximum use of natural light as an energy conservation measure. The planned landscape, gardening, low-height buildings and glass façade keep the employees close to the natural environment.
- **Electricity:** TCS-Yantra Park utilises electricity supplied by Maharashtra State Electricity Board (MSEB). Solar water heater of capacity 3000 litres/day is being installed; thereby projecting a saving of approximately 43952units/year. This hot water can be utilised for dishwashing, gymnasium and so on.
- **Bio-Digester Plant:** Yantra Park has installed a bio-digester plant of one ton capacity that generates methane gas equivalent to 28 kg per day, which translates to 1.4 LPG gas cylinders of 20 kg, used in the canteen for cooking. Manure generated is used in the gardens. The said bio-digester plant can manage 700 kg of food waste, garden waste and paper waste generated on a daily basis. This is a first-of-its-kind in any IT industry in India. The methane gas generated from this technology helps to substitute our LPG consumption in the kitchen to a major extent.



Installation of Feeders
& Water Baths

- **Pollution Prevention:** Preventing pollution is one of the core objectives of the TCS Environment Policy. TCS-Yantra Park practices various activities for pollution prevention, including the following:
 - Continuous monitoring of resources (power, paper, water, fuel)
 - Capacitor panels have been installed in the campus to get power factor close to unity as an energy saving measure
 - More than 3000 employees trained on environment awareness, resource conservation, initiatives adopted, actions expected from employees
 - Posters are displayed to create awareness of saving electricity, paper, water, and green office plan
 - Air pollutants, volatile organic compounds, noise pollution are monitored
 - Water Treatment Plant of 90,000 litres/day capacity is used for drinking and canteen purposes
 - Printer software configuration has been completed. The usage of printing paper is tracked; action is taken against associates who waste resources

- **Rain water harvesting and ground water recharging:** TCS-Yantra Park is a 13.5 acre land. It has lush greenery and high ground water aquifers. Owing to its landscape, the facility has major rain water harvesting potential. TCS- Yantra Park is working with Eureka Forbes Institute of Environment to strategise the rain water harvesting locations in the premises to avail maximum water. The rain water harvesting capacity is 140 cu. m. The ground water recharging capacity is 20,000 cu. m.

- **Major Plantation Drives:** TCS-Yantra Park has retained and maintained the existing flora. Further, major tree plantation projects have been carried out to ensure maximum green cover and thrust to environment. Yantra Park has prioritised biodiversity in planning and execution. The centre has 50% green cover.

Emissions, Effluents and Waste

E-waste Management (EN2)

TCS being an IT organisation, contributes to the global E-waste scenario. **TCS's E-waste Management Policy demonstrates our commitment and measures taken to manage e-waste in a responsible manner, in line with the WEEE Directives and the Guidelines issued on E-waste released by the Ministry of Environment and Forest.** This policy emphasises the way our organisation handles, disposes out-dated equipment, procurement of new electronic equipment and the usage pattern adopted. Our E-waste Management policy is practiced in conjunction with our Environment policy and Green Procurement Policy.

Exhibit 3.13: Quantity of E-waste disposed in environment responsible manner

Quantity of E-waste disposed in environment responsible manner		
Year	Absolute Nos.	Comparative increase in 2007-08 (%)
2006-07	4062	38.50%
2007-08	6602	

The objectives of our E-waste Management Policy are

- TCS is committed towards 100% environment friendly disposal of e-waste
- E-waste to be given only to the Ministry of Environment & Forest/ country specific regulator body certified E-waste Recyclers/handlers for environment friendly disposal
- The life cycle of computers/hardware for TCS operations has been extended from 3 years to 5 years
- Computers/hardware to be procured only from USEPA/similar Energy star labelled vendors
- TCS is committed to follow the WEEE Directives for E-waste handling
- All the applicable country specific e-waste regulations shall be adhered

Bio-degradable Waste

Exhibit 3.14: Quantity of Bio-degradable waste recycled

Quantity of Bio-degradable waste recycled		
Year	Absolute (tons)	Comparative increase in 2007-08 (%)
2006-07	850	11%
2007-08	950	

Used lube Oil- 7095 liters

Used lead acid Batteries-1346 in number

Revenue Spent on Environment Specific Activities-
One million USD

Bio-degradable waste is converted to manure through vermiculture at all practicable locations. This manure is utilised in our campuses or donated as part of our Corporate Social Responsibility (CSR) activity. Vermiculture capacity has increased by 11% in 2007-08. Used oil and batteries are given to the Ministry of Environment and Forest certified vendors for environment responsible disposal. We have spent approximately one million USD on environment specific activities. HSE is considered a part of TCS's Strategic Sustainability development; budgets are allocated on financial year basis based on our five year HSE goal plan. TCS is a member of the Green Grid. We have been sharing our HSE status and initiatives with shareholders, stakeholders, clients, external forums and so on, on required/periodic basis.

- TCS has been enlisted in the prestigious S&P ESG India Index since Jan '08 for excellence in sustainability
- TCS-Yantra Park, Thane, India, has been awarded the prestigious Golden Peacock Environment Management System Award 2008
- TCS has been rated "GOLD" by Business in the community - UK. TCS believes in knowledge sharing

Vermiculture

Vermiculture means artificial rearing or cultivation of worms (earthworms) and the technology is the scientific process of using them for converting food waste into manure. This manure can be utilised as organic fertiliser in gardens. TCS executes vermiculture at all practicable locations to convert food and garden waste into manure, which is utilised in our gardens or donated as CSR activity.

Advantages of Vermicomposting

Vermicompost is an eco-friendly natural fertiliser prepared from biodegradable organic wastes and is free from chemical inputs.

- It does not have any adverse effect on soil, plant and environment
- It improves soil aeration, texture and thereby reduces soil compaction
- It improves the water retention capacity of the soil because of its high organic matter content
- It promotes better root growth and nutrient absorption
- It improves the nutrient status of soil for both macro- and micro-nutrients.



TCS Sholinganallur - Chennai site marked for 15 Vermiculture beds of 300kg capacity



TCS Banyan Park site marked for Vermiculture beds.

GHG Emission

TCS measures and reports the carbon footprint on an annual basis. The base year is 2006-07. The exhibit demonstrates the carbon footprint by source in absolutes and percentage. We have achieved reduction in carbon emission due to international travel and paper consumption. We have successfully achieved a carbon offset of 12.62% in 2007-08 compared to 2006-07. This achievement can be credited to initiatives like energy efficiency, audio-video conferencing, tree plantations, resource conservation, harnessing solar energy, and so on. TCS is looking forward to execute practicable renewable options in future. We use the official UK Government site to calculate our carbon footprint (www.defra.gov.uk.com). In 2007-08, we have achieved a 2% carbon offset/employee in TCS India, compared to 2006-07. **(EN5) (EN18)**

Exhibit 3.15: Total Carbon offset in business as usual scenario (EN6)

Total Carbon offset in business as usual scenario	2006-07		2007-08	
	Source	Percentage (%)	Absolute (tons)	Percentage (%)
Video/Audio Conference	10	164403.3	9	207577
Others (solar energy, Tree plantation etc)	0.12	196.8	3.62	8661

Exhibit 3.16: Carbon offset/employee in business as usual scenario

Carbon offset/ employee in business as usual scenario		
Year	Absolute (tons)	Comparative reduction in 2007-08 (%)
2006-07	3.25	0.6%
2007-08	3.23	

Exhibit 3.17: Carbon Footprint 2007-08

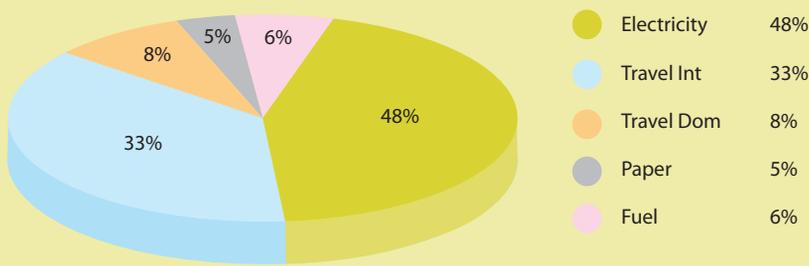


Exhibit 3.18: Carbon Reduction 2007-08 from total emission

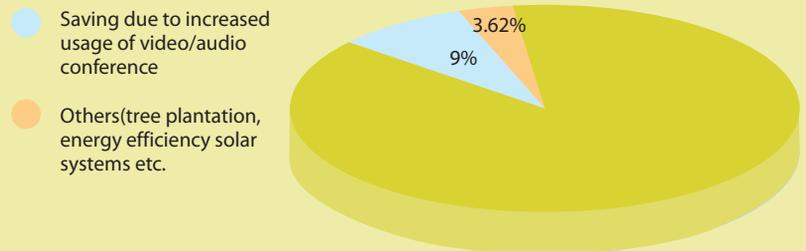


Exhibit 3.19: Nox, Sox emission by weight - 2007-08 (EN16) (EN17) (EN20)



Exhibit 3.20: Co2 Emission- Travel (EN29)

- Travel Intl - Long Haul (km)
- Travel Dom (km)
- Travel Intl - Short Haul (km)
- Fuel - Diesel (car/hired vehicles)
- Fuel - used by DG Sets
- Fuel - Petrol (cars / buses / hired vehicles)

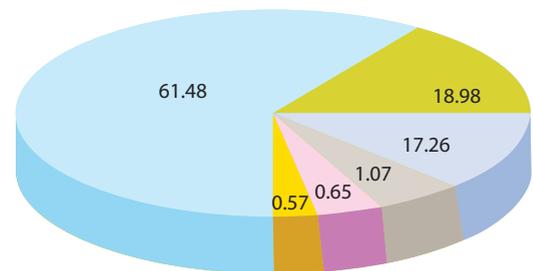
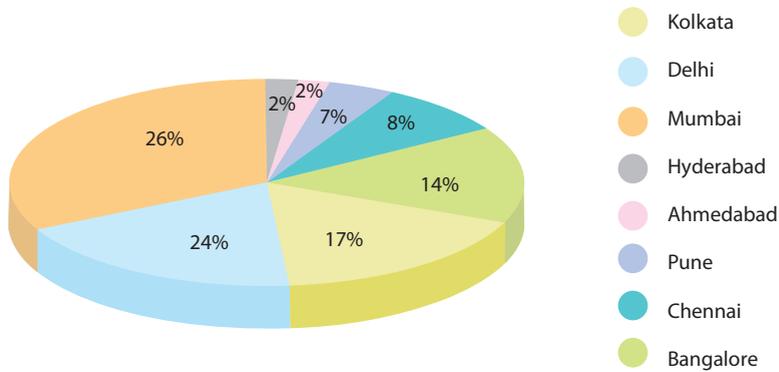


Exhibit 3.21: Distribution of Ozone Depleting substances 2007-08 (EN19)



Total usage of Ozone Depleting Substance (ODS) – CFC 11 equivalent is 1068 kg in 2007-08. R-11 and R-22 are the ODS substance being utilised at TCS in refrigerants. TCS will phase out all the ODS in a phased manner, using substitutes like R-124.

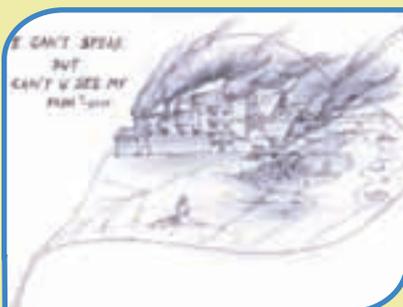
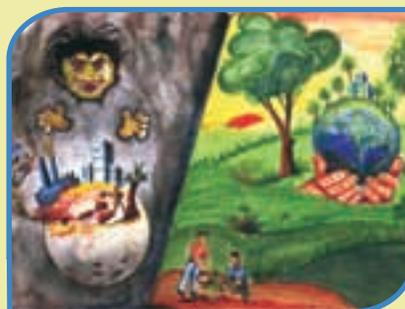
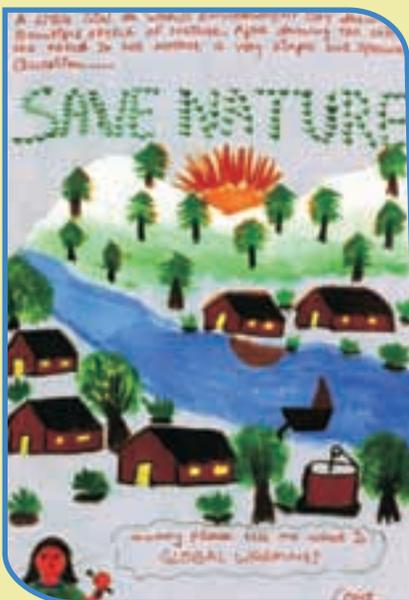
Training

Exhibit 3.22: Number of employees trained on Health, Safety and Environment

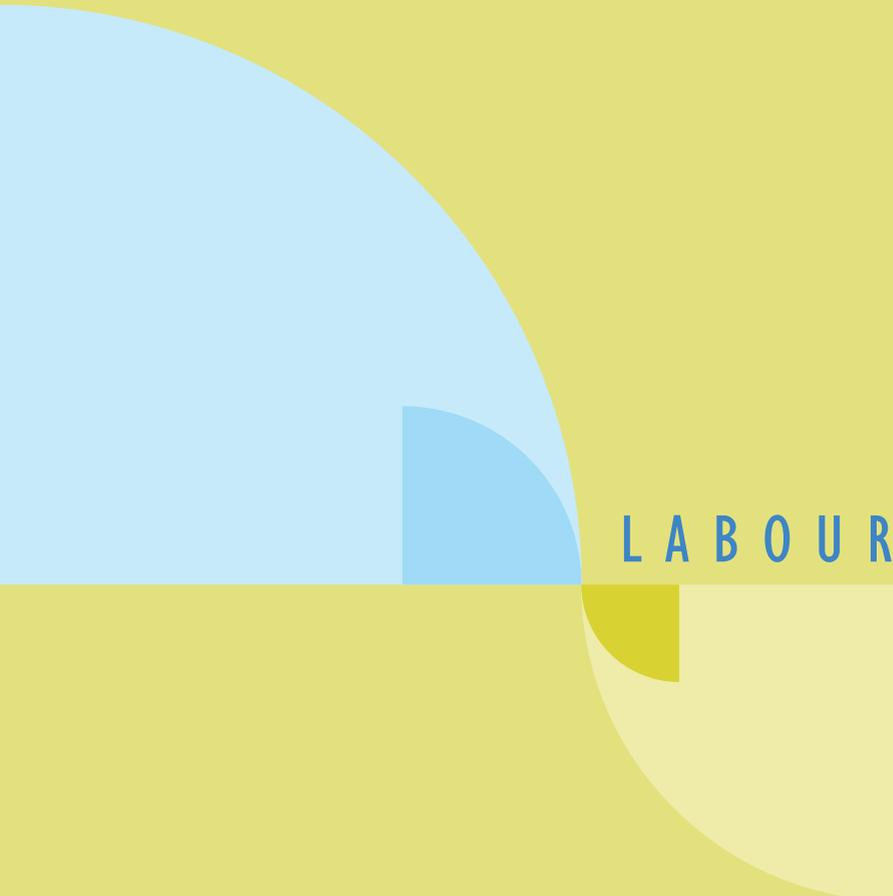
Number of employees trained on Health, Safety and Environment	
Year	Absolute (Nos)
2006-07	21500
2007-08	55000

Being an over one lakh employee driven organisation, TCS realised that creating Health, Safety and Environment awareness would help us achieve a larger goal by enabling reaching one lakh families. The collective result/influence would do great for the society at large and our organisation in specific. Trainings are specifically designed to cater to the employees based on their role; interface with the identified/probable health, safety and environment impact of our operations; global environment awareness; organisation specific environment targets; and expected behavioural /operational changes to be adopted. TCS drives major continuous awareness drives across various levels or geographies of the organisation. Health, Safety and Environment awareness/trainings are carried out through various forums like:

- Web based trainings
- Instructor led trainings
- Display of posters, campaigns, screen savers and so on
- Screening of movies
- Induction trainings
- Internal Health, Safety and Environment Website
- ISO 14001 initiatives
- Internal magazines, portal, CEO's message and so on
- Environment awareness in floor meetings, town halls and so on
- Environment week celebrations, environment group at various centres
- Bio-Diversity awareness programmes.



Environment Week celebration - Collage by TCSers



LABOUR PRACTICES

From the Desk of VP and Head, Global Human Resources



Ajoy Mukherjee

VP and Head, Global Human Resources

Our people are our key strength and one of our key differentiators. As we move forward to the next phase of growth, TCS will continue to ensure excellence in developing tomorrow's talent today.

Without much fanfare, TCS sailed past a milestone in 2007-08 when the total employee strength crossed the 100,000 mark. To reach this landmark, the company hired, trained, inducted, deployed, and integrated over 35,000 skilled professionals during the year—the second consecutive year in which it hired over 32,000 people. Over the last two financial years, the company's employee base has more than doubled from 50,000 to over 108,000 professionals.

Although the number hired every year has risen swiftly, the company still continues to focus on nurturing talent as well as enhancing our people's skill and capabilities, building new leaders, and making continuous learning a way of life in the company. TCS continues to be the employer of choice and boasts of the highest employee retention rate in the IT industry based on a relationship of trust and care with our people.

The Tata Group's historical leadership in all forms of people development provided a backdrop and an ethical framework for TCS as we embarked on our own programme of creating an ecosystem for technology talent by working closely with academic institutions and scientific bodies, initially in India, and subsequently globally. Last year, over 480 institutes benefited from our Academic Interface Programme, which provides a regular interface and platform to collaborate on bridging the corporate-campus gap.

To groom tomorrow's leaders, TCS established a corporate learning academy – the first of its kind in the industry – in Thiruvananthapuram in 1997. Today, TCS has created a scalable training model that allows us to replicate our training programs at other centres in India as well as in the US, China, Hungary, and Uruguay.

For a dispersed, global organisation like TCS to leverage our immense pool of intellect, TCS set up a single borderless intranet network that helps track the deployment, performance, and competency development of employees globally and is a medium for two-way communication, collaboration, and sharing based on one corporate culture.

Labour Practices Strategy and Management Approach

TCS's growing workforce comprises skilled and diverse people of all ages, across various nationalities and educational qualifications. 9% of our employees are international employees and about 28% of our employees are women.

We address the specific requirements of these employee segments through appropriate special approaches. Our job diversity comes from the requirements of our diverse customer profile, the varied breadth and depth of offerings (the widest amongst all our competitors), the definition of our roles and responsibilities, and the design of our organisational structure. It is this richness that enables us to provide the most innovative and best-in-class services to our customers. We also use the services of contract employees called Business Associates (BAs) to supplement our own employee strength; they make up for about 3.8% of our workforce (reduced from 5% last year). The BAs form a part of the regular project teams and follow all the processes applicable to our permanent employees.



TCS Health Club - China



David Lewis Summer Fair – UK



Mumbai Dreamz 2008 Winners



Training Facility – Brazil

Employee Health and Safety

In all, 19 Health Safety Environment Local Councils are in place, one for every major region of operation in TCS

The Centre Head (CH) for that region presides over each Local Council, which consists of representatives from all corporate groups as well Project and Group Leaders. We rigorously follow all the applicable Safety and Health laws of the countries in which we operate.

In line with our culture of care for our employees, we ensure a clean, comfortable, and ergonomically well-equipped work environment. Safety precautions, including contingencies for fire, are taken care of at all work locations. Health check-up facilities are provided to all employees. All our offices facilitate timely availability of wholesome food to the employees. Gymnasium facilities and a green environment help in inculcating healthy living habits among employees.

Exhibit 4.1: Work Environment Factors and Measures

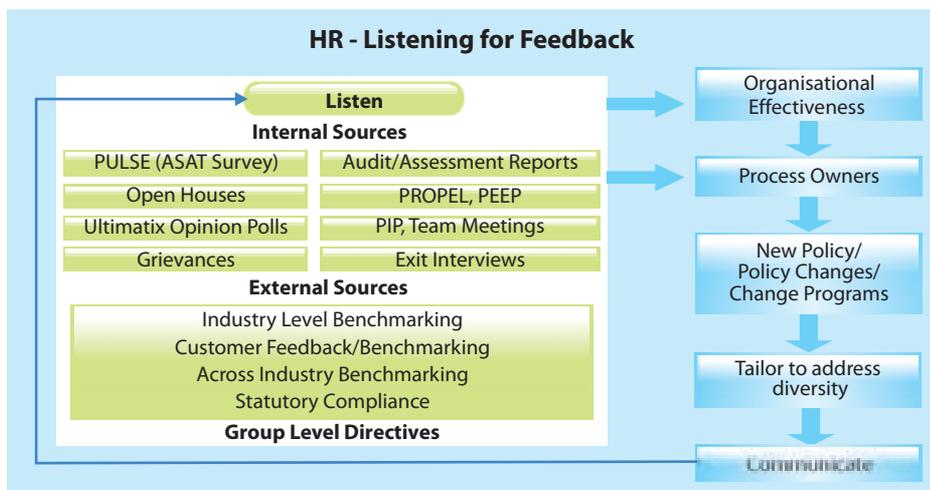
WE Factors	Measures (Targets)	Achievement
Fire Safety	Awareness of fire safety precautions (100% coverage)	Quarterly mock drills by Fire Committees, resulting in greater awareness
	Regular checking of equipments (once in six months)	Fire Protection systems checked every quarter
Security	Number of Security violations/incidents raised	47 (Internally identified)
	Number of NCRs/OFIs raised during customer/external audits	Nil
Light and Space	Work space measuring 80 sq. ft. per employee	Office design based on Open Planning concept; average space per employee around 110 sq. ft.; Illumination of 350-400 lux
	Lighting of 300 lux. per workspace	
Air	Maintenance of a comfortable temperature of $24 \pm 1^\circ \text{C}$	Temperature and relative humidity constantly monitored and maintained at $24 \pm 1^\circ \text{C}$, and a range of 40-60% hydro
	Use of non-CFC branded air fresheners	
Water	Water filters and purifiers to ensure good water quality	Safe drinking water provided at all DCs

Our periodic ISO 27001 audits help ensure that fire safety requirements are taken care of at all times. The Web health centre portal on Ultimatix, our digital portal, spreads awareness of various health-related issues. In addition, employee engagement events through Maitree, (Maitree, an association of employees and their families across the globe, is a key vehicle of employee engagement and CS within the organisation) such as regular yoga sessions, vision testing, talks by psychologists on work-life balance, recreation activities, and health month initiative help in improving the quality of the workplace environment.

- Ambient indoors and air quality monitoring is done on a quarterly basis. Volatile organic compounds are monitored, and they are found to be within permissible limits
- The water quality is tested for potability by a third party every month as per the 10500 standards. The results are displayed on the notice boards.
- Reverse osmosis plants are installed
- Indoor noise monitoring is conducted on a quarterly basis-
- Work environment temperature monitoring is done daily, and the temperature is maintained at $24 \pm 1^{\circ} \text{C}$
- The Health and Safety policy is released and practiced. It is available on Ultimatix (internal portal) and the TCS website
- Guidelines on Food Safety and Hygiene are released for the canteen contractors
- Food Hygiene and Safety Audit is carried out in a phased manner at all locations in India
- LCD monitors are replacing the old cathode ray monitors in a phased manner
- Incident/Illness/Injury Reporting and Investigation Guidelines are being practiced in the organisation
- Health and Safety Manual for TCS based on OHSAS 18001:2007 is at the deployment stage
- Construction Safety Manual has been released and implemented at all our construction sites. Incident reporting for construction sites are done on a monthly basis, and the analysis and recommendations are shared with the management on a half yearly basis
- Sprinklers system has been installed, as per National Building Code, for fire safety
- Fire safety measures are taken as per our Business Contingency plan
- Doctors and councilors visit all delivery centres
- Practicable ergonomics is practiced in the design and execution of workstations

Employee Engagement

Exhibit 4.2: Internal and External Feedback Mechanism



Employee inputs are solicited through the company's annual survey called PULSE, conducted through the company's digital portal, Ultimatix. Opinion polls, Proactive Employee Engagement Programme (PEEP), open-house sessions, Process Improvement Proposals (PIPs), grievance mechanisms, and exit interviews are some other mechanisms to solicit feedback from employees. Cross-Functional Teams (CFTs) of local Admin and HR are deployed for seeking employee feedback. To ensure appropriate client site work environment, our work contract provides a baseline, and HR regularly liaisons with client support groups. Some channels of listening to the voice of employees in TCS are:

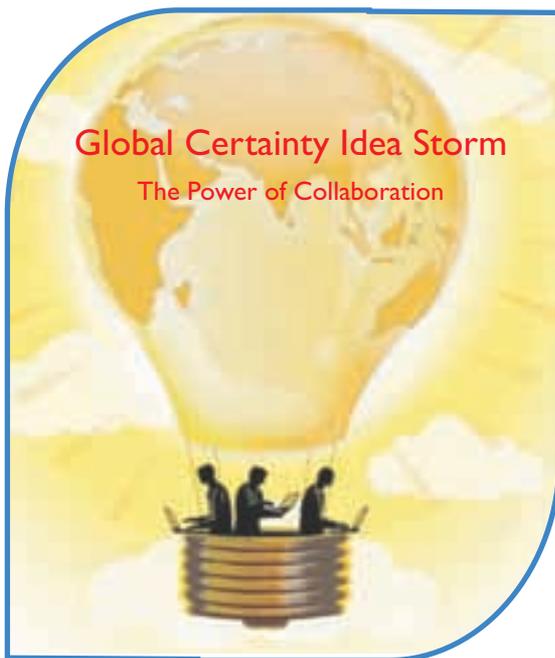


PULSE in Spanish helped more and more people respond to the survey. I think that it's very important to participate because in this way you could consider the problem and look for better solutions inside the company.

**- Maria Luisa Diaz,
TCS Chile**

PULSE 2007-08 was conducted for the first time in other languages, besides English. It was conducted in Spanish, Portuguese and English in IberoAmerica, resulting in greater participation by 7 percentage points over the last year with 50.2% responding.

- **Speak Up:** Speak Up is a platform for employees to discuss pertinent matters with the company's seniors and to bring themselves closer to the company and management, thereby developing good channels of communication between employees and the company's top executives.
- **Just Ask:** This is a social Question and Answer platform for the enterprise. Using this facility, employees can ask, answer, and discover questions and answers in a social and participatory ecosystem.
- **CTO Blog:** This is a conversational platform for TCSers to learn and explore topics of interest related to technology where employees can author, comment, and engage in discussion with the CTO and among themselves.



CEO & MD S. Ramadorai participates in Global Certainty IdeaStorm in the Mumbai war room

- Global Certainty Idea Storm:** This was hosted on Ultimatix between 10–14 September 2007 and was the first collective and interactive online ideation event in TCS. The objectives behind Global Certainty IdeaStorm were manifold. It sought to create a pool of innovative thoughts and ideas from within TCS by tapping into intelligence across all levels of the organisation. It not only involved all TCSers in the idea development, either as originators or collaborators, but also engaged TCSers globally in a novel, tech friendly manner, helping them build relationships with one another through online contact and discussions. The bright and innovative ideas were recognised through a reward and recognition mechanism. It was an endorsement of the fact that our associates are equal stakeholders in our 'Experience certainty' journey. This event also demonstrated the commitment of TCS's senior management to 'listen, evaluate, and act' based on the responses. The ideas and suggestions had to be around four carefully selected themes: Delivery, Induction, Innovation, and Fun work environment. Although Global Certainty IdeaStorm started with a modest target of 25 implementable ideas and participation from 10,000 TCS associates, it closed on the fifth day with 8,771 ideas from 12,115 participants. The event essentially called upon all TCSers to contribute new ideas, comment upon ideas suggested by others, discuss these ideas, and encourage other participants by voting or ranking the 'Hot Ideas'.
- Grievance Redressal System:** Employee grievances are logged through a centralised grievance redressal system. Branch Grievance Coordinators and the Corporate Grievance Process Lead perform weekly and monthly reviews to ensure quality grievance resolution by the Human Resources Team within the specified timeframe. Ethics Counsellors at regional and corporate levels also play a key role in handling sensitive grievances.
- Process Improvement Proposals:** Employees can log PIPs through a link in Ultimatix. In order to encourage employee participation in this endeavour, the 'Best PIP' award is given annually.



Holi at TCS-Quest Communications
at Denver

- **PEEP – Mentoring:** PEEP is a mentoring initiative in which employees connect one-on-one with TCS's senior management.
- **Stress Management:** The IT industry is known for its high pressure work atmosphere and long working hours, which create high levels of stress. TCS encourages the employees to de-stress by participating in Fun@Work, which is a term used across TCS to refer to any fun activity or programme that is conducted during work. Fun@Work Committees are formed across accounts which organise picnics, parties, and get together with fun and games. Annual picnics take place in each region enabling TCSers spread across a region to come together and celebrate with their families and colleagues.



Carol singing at TCS Kochi



Family Day at Johnson Controls Inc, Holland



- PULSE:** PULSE, the company's annual Associate Satisfaction Survey, is undertaken every year to measure and understand the TCS associate's attitude, opinions, motivation, aspirations, and satisfaction. Through PULSE, TCS attempts to find out opportunities for improvement, suggestions, shortcomings, and then carve appropriate action plans. The steady rise in the Associate Satisfaction Index (through PULSE) is an indication of TCS's culture and care for the associates.
- Propel:** Propel, covering all employees in TCS, is a forum to discuss issues and ideas at the inception level itself. Camps and confluences are conducted for problem solving, discovering new ideas, initiating dialogue and reflection. Through these sessions, the employees are provided a platform for learning, interacting, and solving problems.



PROPEL
Accelerate Solutions. Enjoy Life

Total workforce by employment type, employment contract, and region (LA1)

Exhibit 4.3: Associate Distribution by employment contract

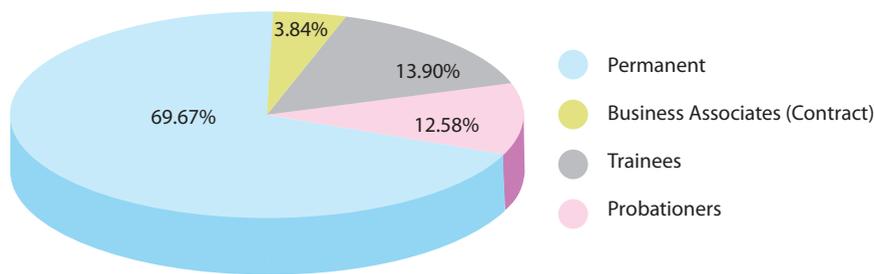


Exhibit 4.4: Associate Distribution by employment type

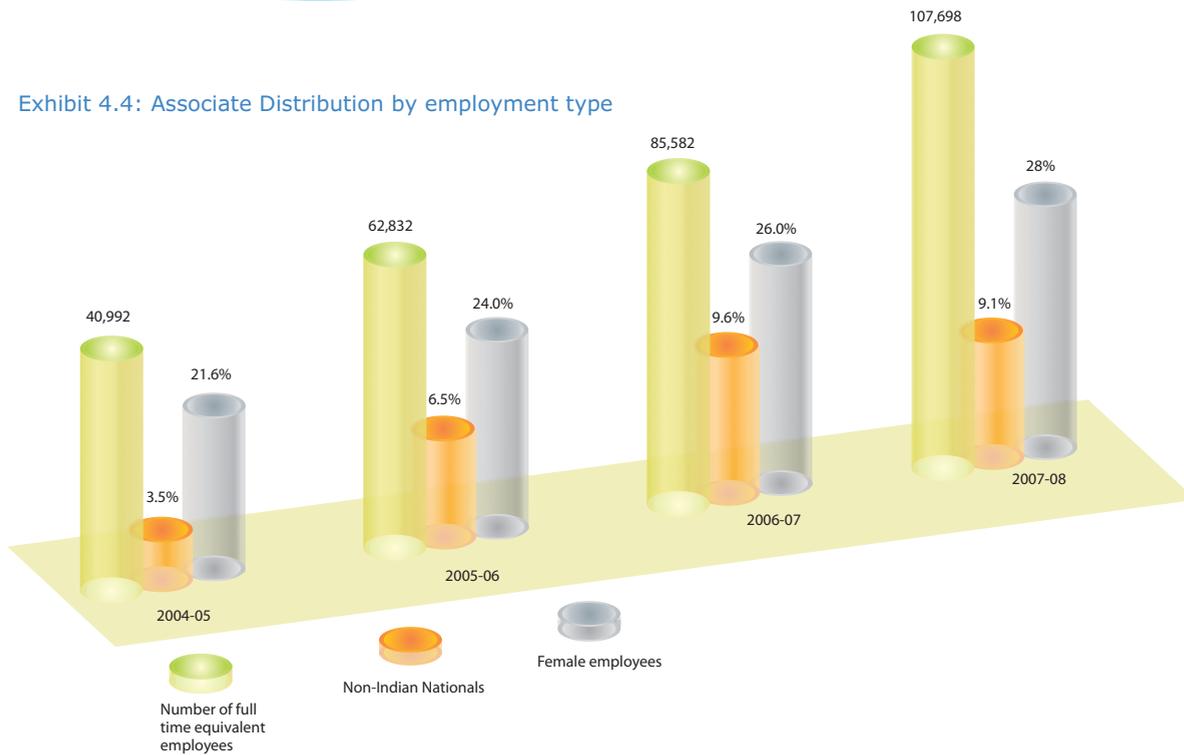
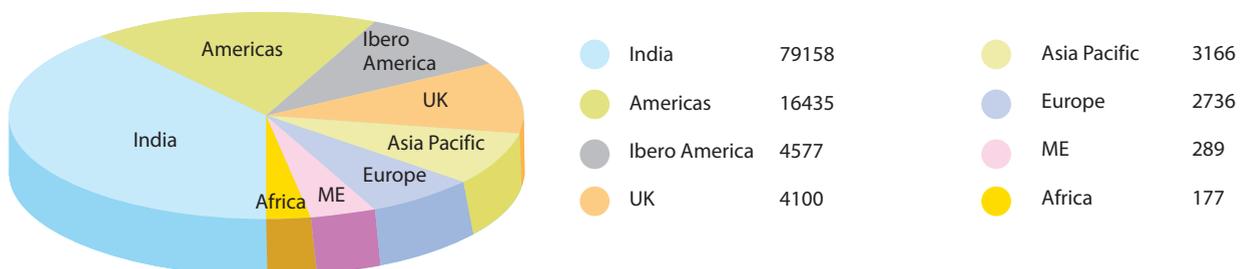


Exhibit 4.5: Associate Distribution Geography



Total number and rate of employee turnover by age group, gender, and region (LA2)

Attrition rate for the year 2007-08

Overall - 12.60% India - 10.95% Overseas - 22%

Exhibit 4.6: Comparison between Years of Experience and Attrition % - India

Yrs of Exp	<1 yr	1 - 3 yrs	3 - 5 yrs	5 - 10 yrs	> 10 Yrs
% Attrition	24.67%	42.50%	17.32%	12.75%	2.73%

Exhibit 4.7: Gender wise Attrition % - India

Gender	Female	Male
% Attrition	29%	71%

Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations (LA3)

Welfare benefits for full-time employees include interest subsidy on housing loans, emergency medical assistance, cash-less hospitalisation benefits, in-house doctors and psychiatrists, retirement benefits, transportation, canteen facilities, family events (picnic, treks, cultural events), on premise bank extension counters/ATMs, concierge facilities, helpdesk facilities, flexible working hours, assistance in school admissions, holiday homes, Tata Welfare Fund, overseas travel reimbursement for paper presentations, financial assistance for higher education, and maternity leave for adoption, to name a few. We give our employees the flexibility to choose the right mix of benefits to meet their needs.

Through the Bouquet of Benefits option, employees can exercise their choice and decide on how components of their earning will be paid to them. To recognise long periods of service, employees receive rewards and recognition after pre-defined periods of service.

TCS also provides retirement benefits to all our full-time employees:

- Provident Fund (on which loans are permitted)
- Pension Fund – All employees are covered under the provisions of the Employees Pension Scheme. Benefits of the scheme are extended to the members after completion of 10 years of service
- Gratuity: An employee will be eligible for payment of gratuity either as per the payment of Gratuity Act, 1972, or as per the Company's Gratuity scheme, whichever is higher, at the time of resignation/retirement
- Superannuation Fund
- Paid vacations before retirement: All employees of TCS India who have served TCS or any of our group companies for a period of 5 years and above, and who are due to retire from service in 6 months or less are entitled to 7 days fully paid vacation (including air transport, lodging, food, and actuals) at a company guest house of their choice.
- Entitlement to continue on Medical Insurance scheme

Occupational Health and Safety

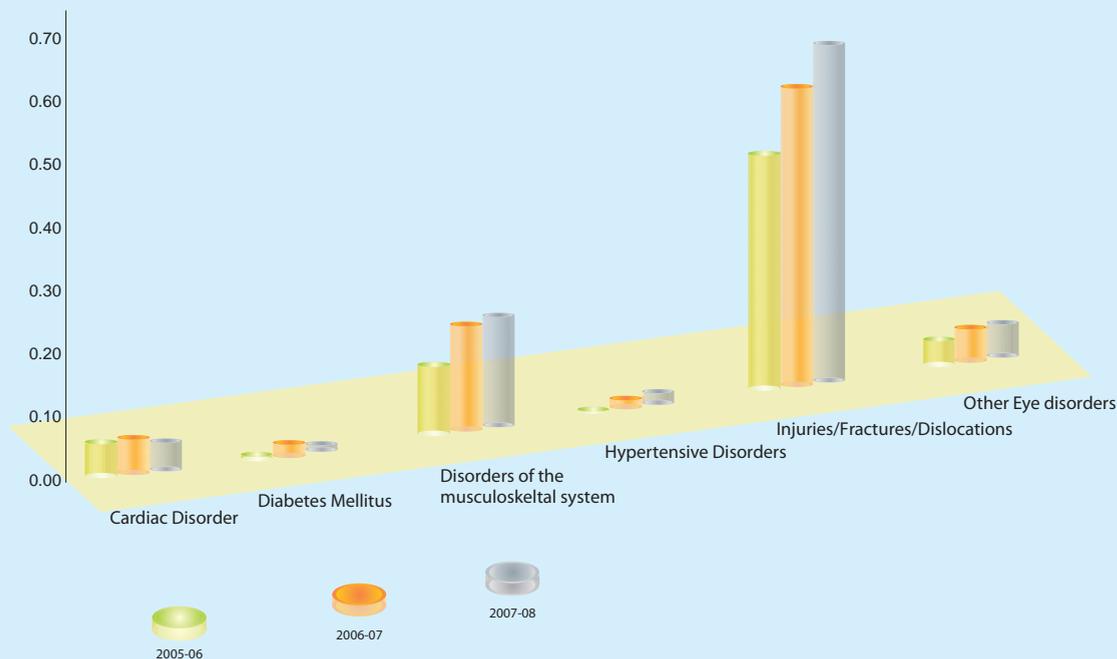
Occupational Health & Safety (LA6) (LA7)

TCS reaffirms the commitment to provide a healthy and safe work environment to all associates and partners on our premises. This commitment extends beyond accidents, injuries and occupational health hazards; it extends to general physical and mental health and well-being of associates and their families.

At framework level, guidelines and manuals have been deployed for road travel safety, food hygiene & safety, incident, injury & illness reporting. Work-at-height safety, construction safety, pest control guidelines have been deployed for respective contractor related activities. We are presently in the process of developing and deploying a formal Occupational Health and Safety Management System (OHSMS) as per OHSAS 18001:2007 which will be integrated with the existing Environment Management System (EMS.)

TCS facilities located in various geographies comply with all local legal and statutory requirements related to occupational health and safety. Workplace environment issues like ergonomics, illumination levels,

Exhibit 4.8: Hospitalisations per 100 employees



thermal comfort, fire safety, safety from injuries, and indoor air quality are factored into the design of new facilities and refurbishments. Besides, we conduct mock fire drills at our facilities, and our fire safety and emergency evacuation process at each facility includes floor marshals, fire wardens and evacuation wardens.

Adherence to health & safety requirements is part of responsibilities of all associates. Considering the large number of associates and their geographical spread, we are in the process of deploying mandatory web-based training (WBT) modules and shall be deployed mid next year. This web-based deployment, apart from wider coverage, offers the advantage of automation of data capturing on number of employees covered and employee-wise completion of training.

The incidence of illnesses solely owing to occupational factors is rather low. Moreover, the co-relation of these illnesses to occupational risks is not evident as external factors such as lifestyle, genetic predisposition, risky behaviour, and external sources of injuries could also contribute to these illnesses.

Exhibit 4.8: The graph shows illnesses likely to have occupational origin or precipitating factors resulting in hospitalisation)

To pre-empt occurrence of disorders of the musculo-skeletal system, hypertensive disorders, injuries/fractures/dislocations, and eye disorders, TCS has been creating awareness of lifestyle-related health issues, correct ergonomic postures, proper use of display screen equipment, safe driving practices, provision of exercise facilities (gym), and regular medical check-ups for early warning signs (cardiac problems, diabetes).

Exhibit 4.9: Number of Accidental Deaths per 100 employees

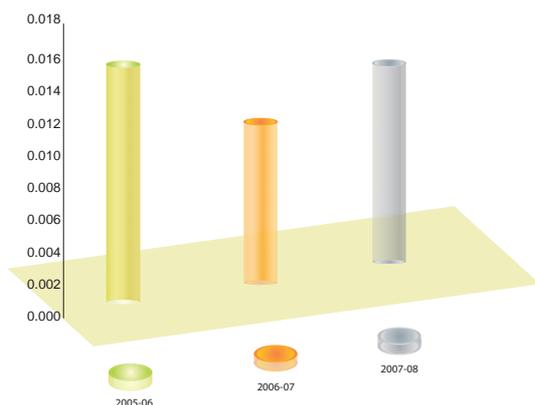


Exhibit 4.9: Accidental death statistics

TCS condoles the deaths of its employees which have been due to unfortunate accidents outside its premises – typically road accidents. Though TCS does not have direct control or influence over such unfortunate incidences, the need to create awareness and promote safe behavior among associates within and outside the workplace is acutely felt.

This data is provided by the insurance companies. In future we plan to have a investigation system in place for the same.

Exhibit 4.10: Age group-wise Injuries requiring hospitalisation

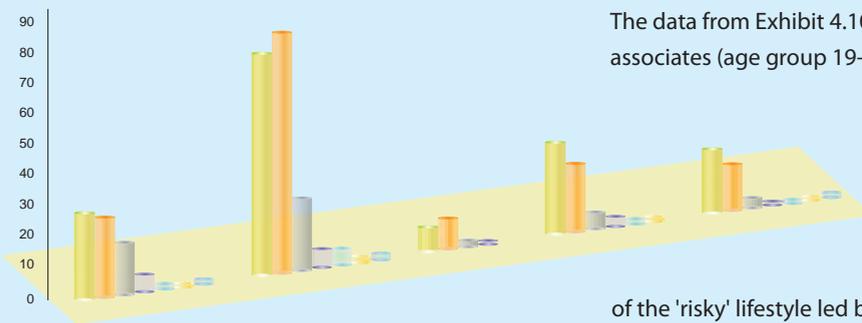


Exhibit 4.10: Age group-wise Injuries requiring hospitalisation

The data from Exhibit 4.10 indicates the vulnerability of younger associates (age group 19-30 years) to injuries—an inevitable corollary

of the 'risky' lifestyle led by them. In this context, we have initiated awareness drives to inculcate 'safe' behaviour and practices among our younger associates.

Exhibit 4.11 : Construction Safety Performance

Key Performance Indicator	Value
Total Manhours	33,398,995
Lost Time in Manhours	177,008
Percentage of Lost Manhours of Total Manhours Worked	0.53
Fatalities	2
Reportable Accidents*	1
Minor Injuries	17
First-Aid Injuries	339
Fires	4
Near Misses	4

* Lost Time more than 48 hours

Construction Safety

Currently, TCS has four campuses under construction— Chennai, Mumbai, Bhubaneshwar and Hyderabad. Though the entire construction activity is carried out through reputed project management consultants (PMC) and contractors, TCS ensures safe working conditions at all construction sites. We ensure that PMC abides by the standard contract conditions related to health and safety of workers. We have also deputed our own safety officers at each site who report directly to the Head, HSE, to ensure conformance to safe work practices.

Construction Safety Performance

Construction safety performance is monitored in terms of KPIs like lost time, number of reportable accidents, injuries, fires, first aid injuries and near-misses.

Exhibit 4.11: Construction Safety Performance

The performance data presented above represents the entire three year construction period at the four sites (April 2005 to March 2008). This is the first time that we are reporting construction safety performance since rigorous reporting processes were put in place only after May 2007. There were no fatalities reported in the current year. We are working towards further improving the construction safety performance through training, strict enforcement of safety practices, levying penalties on defaulting contractors, etc.

Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases (LA8)

Exhibit 4.12: In FY 2007-08 TCS conducted 155 Health Talks at various locations in India in which 18403 associates participated. The topics of discussion included:

AIDS Awareness	Avian Flu	Blood Donation	Cardiac
Diet & Nutrition	Eye Care	First Aid	Fitness Session
Gynecology	Laughter Therapy	Oral Hygiene	Orthopedics
Pain Myths	Parenting	Repetitive Stress Injury	Stress Management

Exhibit 4.13: In FY 2007-08, TCS conducted 147 Health Camps at various locations in India in which 30084 associates participated

Ayurvedic Medical Camp	Beauty Tips	Blood Donation Camp
Blood Sugar & BMI Camp	Dental Camp	Diabetes Check-Up
Eye Check-Up Camp	Health Camp And Sanitation Drive	Kids Camp
Skin Check-Up		

On our extranet portal, Ultimatix, there is a section devoted to the education and training of employees on health care. Every month, this section covers topics such as fitness, diet related nutrition facts, and stress related articles. In the event of the outbreak of an epidemic, in India or overseas, Ultimatix is the chosen mode of communication to disseminate knowledge and dispel myths (for instance, this medium was used for communication during the SARS and bird flu outbreaks in Asia); email is also used as a communication medium to send dos and don'ts messages. Workshops are also conducted to disseminate information. In 2007, Maitree started the 'HIV/AIDS Sensitisation Drive' in different Mumbai branches.

Training and Education



Training Center - Uruguay

Freshers can opt for specialisation in any of the following technology areas. Net technology, Mainframe, Unix/C++, J2EE, BI/PM, PL/SQL, and others.

Recruits undergo a six-week Initial Learning Programme (ILP) at either the Learning & Development (L&D) facility in India or at facilities provided in other countries, catering to overseas recruitment. Some of the topics covered in ILP are Basic Computer Concepts, Introduction to Operating Systems, Programming Techniques, Business Orientation (with specific reference to TCS), Process Models, and Requirement Analysis. During ILP training, trainees are also oriented towards TCS's corporate values and principles. They are exposed to systems thinking, professional grooming, and developing good communication skills, along with training on the basics of some foreign languages.

As part of this training, all employees must sign the Tata Code of Conduct to indicate their awareness of its principles and the expectations set.

Following on from the ILP is the Continuous Learning Programme (CLP) that updates the employees' training as they progress through the organisation. The CLP addresses technology and domain type training plus management and leadership development programmes and diversity management programmes. There is also

The Learning and Development (L&D) group addresses the learning needs of all employees, including managerial and leadership development programs. Topics such as diversity, ethical business practices, workplace safety, and security are covered during organisational induction training on an ongoing basis.

the Leadership Development programme (LDP) which has several modules intended for leadership development. We achieve our strategic learning objectives through deployment of action plans. iCALMS (integrated Competency and Learning Management System) is a repository of all role profiles, competency requirements, and learning programmes. It provides an integrated mechanism for employees to capture their individual skill levels, aspirations, and ongoing training needs; translates them into individual learning plans; tracks learning delivery; and assesses competencies. Technical and managerial training needs aligned with current roles and career aspirations are captured during performance reviews and through iCALMS on an ongoing basis.

At TCS, we recognise that investing in our people is a key to the sustainability of our delivery model by generating employee satisfaction and minimising the attrition rate. One aspect of this is the culture of learning throughout an employee's career. The L&D centre, at Trivandrum, India, was established in 1998 to cater to TCS's training requirements. It has 18 classrooms, a library, an auditorium, a conference hall, discussion rooms, and about 300 personal computers connected to servers. To keep pace with the increasing numbers of trainees, we have extended ILP facilities in Coimbatore, Guwahati, Hyderabad, Gandhinagar, and Bhubaneswar.

All full-time employees of TCS, including all support groups, receive half-yearly career development reviews. All new employees, in the first year of their employment, receive quarterly reviews. At the end of every assignment, employees may also receive formal project-end reviews.

Exhibit 4.14: Average hours of training per year per employee by employee category (LA10)

Average training Hours by Employee category for FY2007-08		
Employee Category	No of participants	No of Learning days
Senior Management	163	90348
Middle Management	6295	
Junior Management	33937	
Focused Leadership Program	5119	

Exhibit 4.15: Programs for skills management and lifelong learning that support continued employability and assist employees in managing career endings. (LA11)

Initial and Continuous Learning Effort in Days	Learning Effort for FY 08						
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
ILP Effort Investment - Person Days ('000)	120	102.1	158	335.7	415.9	496.5	670.5
CLP - (Person Days ('000))	22.9	84.8	98.7	290.1	374.3	461.3	770.3

Managerial Skills & Leadership Development Effort			
FY 2007 - 08	No. of Programs	No of Participants	Learning Effort(Days)
Generic Managerial Skills	960	28632	63119
Leadership Skills	751	16882	27229
Grand Total	1711	45514	90348

85% percentage of employees have closed the performance in career development reviews in consensus with Management.

Diversity and Equal Opportunity

As on March 31, 2008, women constituted 28% (previous year 26%) of the workforce. 17.5% of Senior and Middle Management and 8% of Top Management constitutes women managers.

Our greatest asset is our workforce. During FY 2007-08, the company has made substantial addition to human resources. The company had a gross addition of 35,672 (previous year 32,462) employees and a net addition of 22,116 (previous year 22,750) employees primarily through recruitment and mergers and acquisitions in FY 2007-08. The total number of employees in the company as on March 31, 2007, was 107,698 (85,582 as on March 31, 2006) employees. The average work experience of 49.7% of the workforce is more than 3 years, showing the success the company has in attracting and retaining talent. Our employees are not unionised except for 72 staff members who comprise less than 0.1% of our total workforce.

The company employed people from 62 different nationalities in the workforce. International employees aggregated to 9.2% of the total workforce as on March 31, 2008. 19% of the Top Management and 11% of Senior and Middle Management has international employees.

Being an equal opportunities employer, TCS does not discriminate between men and women. In every employee category, irrespective of seniority, the basic salary is the same for both genders.

The attrition rate of 12.6% (previous year 11.3%) in FY 2006-07 is one of the lowest in the industry. The second level analysis of attrition rate over the last 12 months shows that the IT attrition rate was 12% and the BPO attrition rate was 18.7%. This low attrition rate has been achieved by continuously investing in learning and development programmes for employees, focused career development programmes, competitive compensation, creating a compelling work environment, and empowering employees at all levels as well as having a structured reward and recognition mechanism.

Case Study Crossing Barriers



For TCS, Jadhav is the first visually-impaired associate to be recruited in the history of the company.

He is the proud recipient of the National Award for the Best Disabled Employee of the year (2006), conferred on him by former President A.P.J Abdul Kalam on 3 December and Vocational Excellence Award from Rotary Club of Mumbai Sea Face for his dedicated work in the field of education and technology for the visually impaired in April 2007.

Thirty-eight year old Charudatta Jadhav who joined TCS on 1 March '07 is a man whose passions are ahead of his time. With grit and determination, Jadhav, the first visually-impaired associate to be recruited by TCS, has won prestigious awards and recognitions on the personal, professional and social canvas, proving that you need vision and not sight to move ahead in life. Jadhav was also among the 10 members who participated in the First Himalayan Expedition for the Blind in 1992 and successfully scaled Peak Shitidhar, a height of 17,220 ft.

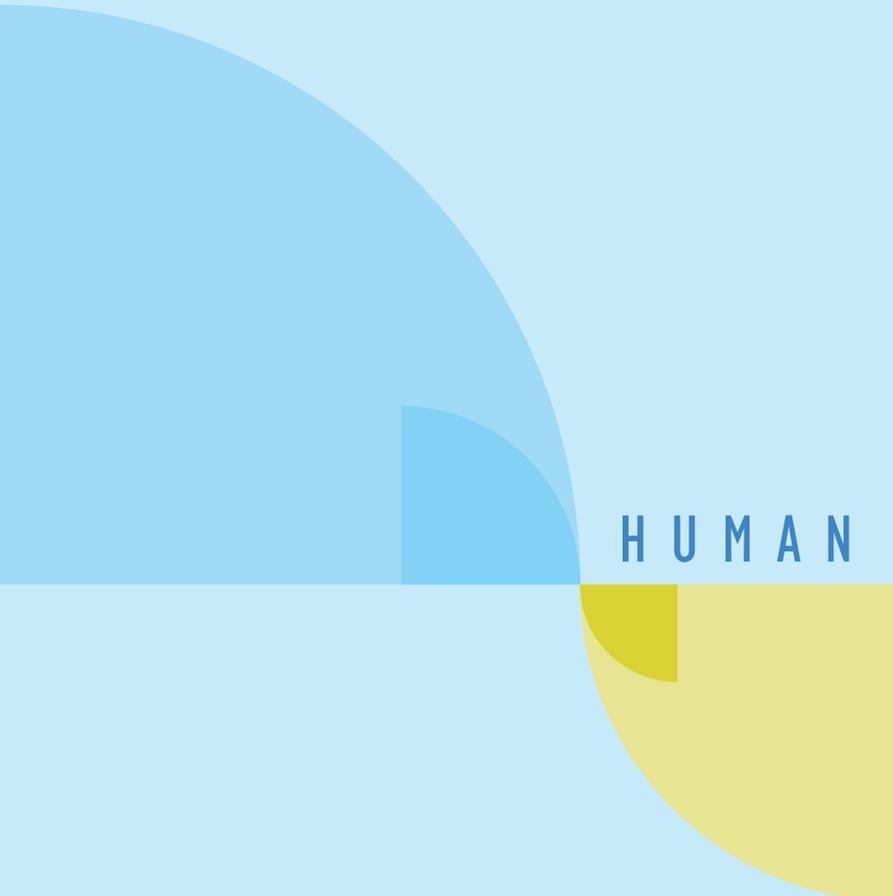
Jadhav, who lost his sight when he was 13, joined TCS as Compliance Manager for the Pfizer account in the Life Sciences vertical. His most unique and challenging project so far is a server consolidation project, where TCS is migrating more than 400 applications onto a new platform, to improve the server count by 50%. Jadhav uses a screen reader called JAWS, to help him on the laptop.

Jadhav participated in six world chess championships for the blind and represented India in the 2004 Commonwealth Chess Tournament. An avid chess player, Jadhav is also an executive board member of the International Braille Chess Association and general secretary of the All India Chess Federation for the Blind. His latest feat is developing Talk 64 - an upgraded chess software for the blind with a user friendly interface and speech support.

Passionate about his social responsibilities, Jadhav is also involved in several social projects such as education, IT training, employability of people with disabilities, creating awareness of accessibility, researching assistive technologies and promoting chess for the blind. He is developing a multi-lingual screen reader which will help the blind work on computers independently, a navigational software for the blind to move around the city and a pocket reader that will help the visually impaired to read any print material. He has also started the Advanced Computer Training Institute for the Blind at Wadala. All the above initiatives are being taken by the Indian Institute of Assistive Technology (IIAT), a public charitable trust, of which he is the founder trustee.

"My mission is to educate my community and make them computer literate," he says, with a determined tone in his voice.

Ask Jadhav the secret of his extraordinary success and he says, "Discipline, determination and dedication."

The image features a minimalist design on a light blue background. On the left side, there are several overlapping semi-circular and quarter-circular shapes in shades of light blue. On the right side, there are overlapping shapes in shades of yellow and light blue. The text 'HUMAN RIGHTS' is positioned in the center, overlapping the boundary between the blue and yellow shapes.

HUMAN RIGHTS

Human Rights Strategy and Management Approach

Our culture has been shaped over the years by a few basic beliefs that are reflected in our Vision, Mission and Values. At the core of our organisation culture is our deeply entrenched values: Integrity, Leading Change, Excellence, Respect for the Individual, and fostering an environment of Learning and Sharing.

Our culture has been shaped over the years by a few basic beliefs that are reflected in our Vision, Mission and Values. At the core of our organisation culture is our deeply entrenched values: Integrity, Leading Change, Excellence, Respect for the Individual, and fostering an environment of Learning and Sharing.

At TCS, all workforce activities are conducted in strict adherence to the applicable laws of the land. Human Resource (HR) managers, with the necessary qualification and adequate knowledge of the local laws of the land in which we operate, are employed in suitable positions to ensure adequate compliance. Further, on workforce activities, beyond legal compliance, we adhere to the applicable clauses of the Tata Code of Conduct that can be found at:

http://www.tcs.com/SiteCollectionDocuments/About%20TCS/TCS_CodeofConduct2008.pdf

Employee Rights

As an Equal Opportunities Employer in accordance with the TCoC, TCS also lays down the code to maintain a work environment free of sexual harassment and discrimination. TCS is among the first Indian companies to have the global policy against Sexual Harassment in place for our employees. There is no distinction made between salaries of male and female employees. TCS's recruitment policy lists down explicitly that child labour must not be used for our operations (HR6). TCS does not discriminate employment based on physical disability. Ramps and special toilets are provided in all new TCS centres. TCS adheres to stringent policies laid on Forced and Compulsory Labour (HR7). Please refer to relevant clause on Corporate Citizenship of Tata Code of Conduct. that can be found at:

http://www.tcs.com/SiteCollectionDocuments/About%20TCS/TCS_CodeofConduct2008.pdf

Through compliance with applicable labour laws and the Tata Code of Conduct, TCS ensures that human rights are not violated in the conduct of business.

The Tata Code of Conduct is shared and explained to every new employee at the time of induction and is signed off by them for acceptance. The Tata Code of Conduct is shared with customers by including references to it in the contracts, and it is shared with suppliers by including references to it in every purchase order with the suppliers.

Supplier

While entering into an agreement with our contractors and vendors, we take an undertaking from them that they shall comply with all statutes, rules and regulations of the land as applicable to us and our employees. TCS has the right to audit contractors and vendors to enable TCS to meet applicable legal and regulatory requirements of the land. Contractors and vendors shall provide any assistance reasonable during the term of contract and up to 4 (four) years thereafter.

TCS has been certified
People Capability
Maturity Model (PCMM)
Level 5 with the
assessment valid
enterprise-wide till
FY 2007-08.

TCS conducts annual
internal audit by an
external global
organization to ensure
compliance to all
applicable legal and
regulatory
requirements.

The supply chain extends from vendors to their sub-vendors and suppliers. Vendors comprise a wide spectrum right from engineering colleges, which provide the basic human capital, to suppliers of IT infrastructure and software products and beyond to infrastructure providers like builders, housekeeping, catering, safety, and security agencies. We, at TCS, acknowledge that our responsibility goes right down the chain and while we cannot control all compliance and monitoring, we demand statutory compliance from all and hold up the Tata Code of Conduct as a guide for action. As an assurance to our clients, TCS undertakes a Background Check of the candidates recruited, as part of the recruitment process. In the event of negative background check report, employment with TCS is revoked. 'Adherence to the Tata Code of Conduct' is included in the master agreements and contracts that TCS signs with suppliers and contractors. As TCS is, of course, a supplier to many organisations, we are working with our customers and their supply chain audits (face-to-face and questionnaires) to continually refine our Corporate Sustainability action plans and targets across a balanced scorecard. Feedback from these audits is helping TCS drive similar initiatives with our own suppliers. TCS intends to trade strictly only with those who meet the requirements of our policy. Where improvements are necessary to achieve compliance with the standards, TCS will work with suppliers to identify and implement the required changes within an agreed timeframe.

TCS conducts annual internal audit by an external global organization to ensure compliance to all applicable legal and regulatory requirements.

TCS has been certified People Capability Maturity Model (PCMM) Level 5 with the assessment valid enterprise-wide till FY 2007-08.

For FY 2007-08, TCS has invested 13,396 person days effort for employee training on policies and procedures concerning aspects of human rights that are relevant to our operations. (HR3)

In FY 2007-08, in none of the operations freedom of association and collective bargaining was at significant risk. Less than 0.1% of the employees are unionised and come under the purview of collective bargaining.

As a Tata Group company, we abide by the section on Corporate Citizenship of the Code.

TCS is a signatory to the UN Global compact since 2006 and abides by the principle of UN declaration of the human rights.

Ethics @TCS

Ethics
Think of it as oxygen for character.

When you work out,
you experience the magic of your oxygen.
It powers our body,
energizes your mind.
Let's you get more life
out of everything.

Now experience
the magic of ethics.
It powers your character,
fills you with
confidence.

To the right things
stand up for your values.
Don't let someone else's slipping
standards drag you down.
Practice ethics.

Put your
personality develop
the world that
everyone admires.
Oxygen
for your body,
Ethics
for your soul.
They make
a great life possible.

*Ethics: Principles of right and wrong used by individuals as
free moral agents to guide behavior.*

*Visit [Ultimatix](#) to read the Tata Code of Conduct and know
more about Ethics at TCS.*



TATA

TATA CONSULTANCY SERVICES
Experience certainty.

Ethics Committees and Counsellor

At the board level, an Ethics and Compliance Committee has been set up to ensure tracking of the Tata Code of Conduct and the Code of Conduct for Prevention of Insider Trading, and the Code of Corporate Disclosure Practices to be followed by directors, officers and other employees. The Corporate level Ethics Counsellor and location level counsellors (LECs) are responsible for Management of Business Ethics at TCS. They analyse data and take appropriate actions to review the process and deploy the TCoC. Independent committees are set up across locations to verify and implement the policy in letter and spirit as per location specific requirements. The cross-functional team for Ethics and CS meet regularly to take stock of the feedback from the Tata Business Excellence Model (TBEM) assessment and Tata Quality Management Services (TQMS) survey. The management approach and deployment of ethics and human rights is validated by the employee perception on ethics. TCS has an internal target of 75% as the Employee Satisfaction Index on ethics

The table below reflects the ranking given to TCS by DataQuest magazine

Exhibit 5.1: DQ Top 20 survey ratings- 2007

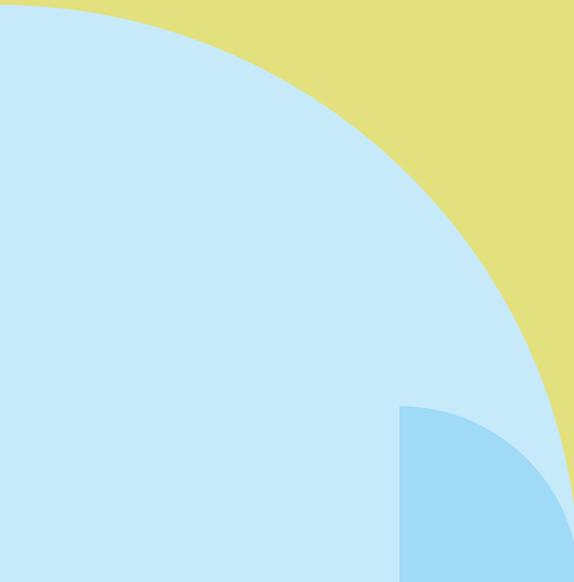
DQ Top 20 survey ratings- 2007	
Attribute	TCS Rank
High standards of corporate governance	2
Conducts its business in a fair manner	3
High value on honesty and integrity	3

Concerns on TCoC & Action taken

In FY 2007-08, 17 concerns were raised across various locations and as the result of the process, two employees were terminated. No concerns were reported by supplier partners and customers.

Training to Employees and Support Groups

Training based on TCS Values and the TCoC, emphasizing on 'Respect for the Individual' is given to all TCS employees as part of their induction programme. During induction of security personnel at all branches in TCS, training is provided on inter-personal aspects. Also, use of force during security violations is prohibited.(HR8)



COMMUNITY



CS Strategy and Management Approach

Corporate Sustainability (CS) in TCS is aligned with the Tata tradition of creating wealth in the community with a focus on health and education and concern for the environment

The differentiator for CS in TCS is the volunteering by TCSers through "Maitree" while TCS endeavours to use its IT core competence to address societal problems.

In keeping with Tata's rich tradition of giving back to society, Corporate Sustainability (CS) lies at the heart of TCS's corporate culture. A senior executive at the level of Vice President is Head Global CS and jointly with the TCS Maitree team is responsible for nurturing CS activities enterprise wide. A cross functional Apex team consisting of Global Head HR, representatives from "Maitree" (see detailed paragraph below), the Adult Literacy Programme (ALP) owner, the Academic Interface Programme (AIP) owner and the Global Head CS oversees the CS activities and their effectiveness in our society.

In terms of strategy, TCS believes that CS in the marketplace, workplace, community and environment is central to our business. The CEO and Executive Directors on the board of TCS hold responsibility for various aspects of CS. Our CEO is responsible for community initiatives; the CFO handles Corporate Responsibility in the Marketplace (specifically for supplier relationships) while Global Head HR looks into TCS policy on Human Rights. Additionally, our CEO and the Senior Leadership team take keen interest in Maitree and special initiatives on education such as Ignite for imparting IT education to science graduates and InsignT for introducing IT and business skills to pre-university students. Our Senior Leadership team are members of national and international professional bodies such as IEEE, NASSCOM, CSI and they actively participate in these forums.

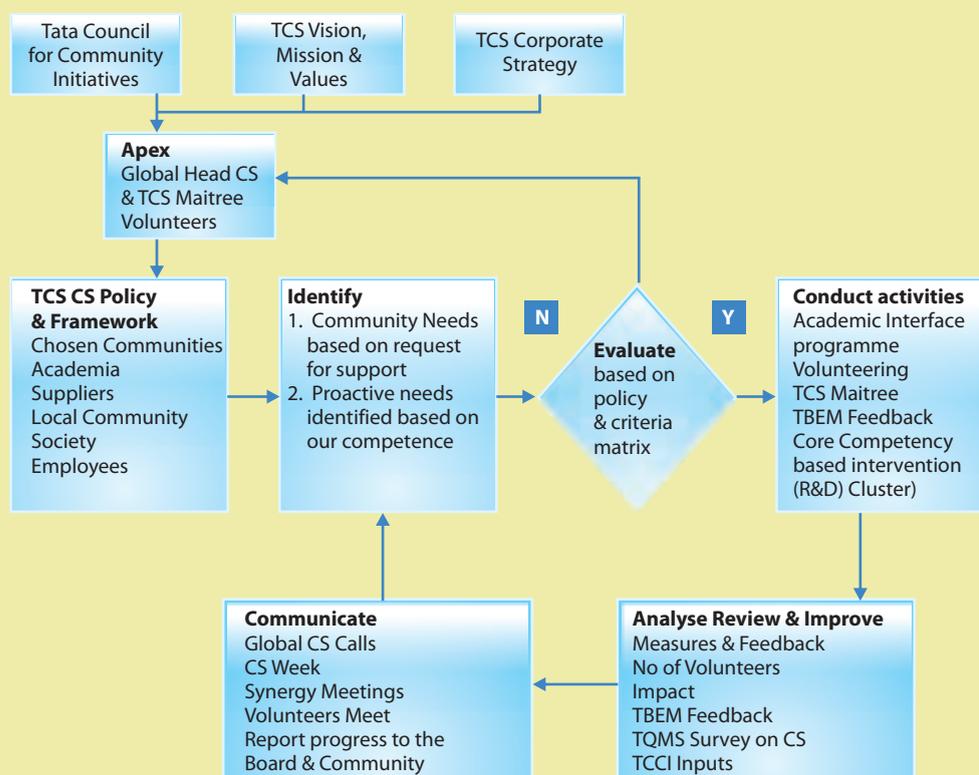
Maitree : an association of employees and their families across the globe, is a key vehicle of CS within the Company. "Maitree" also addresses TCS's internal stakeholders and engages TCSers and their families in a variety of meaningful activities including music, dance, trekking and sport. In addition to these activities, "Maitree" creates vehicles for community service and sponsors reach out initiatives for the differently abled, for AIDS education, and such other initiatives.



TCS-MAITREE

Together - Caring & Sharing

Exhibit 6.1: Corporate Sustainability in TCS: Process



Selection of Community : TCS’s commitment to CS stems from the Tata Group’s abiding concern for society and environment. We acknowledge our key communities as those which impact us and those that are impacted by our operations, both directly and indirectly. These communities are academia from where we source the bulk of our workforce; employees which constitute our internal stakeholders; geographies where our customers hail from and who are crucial for our business model; subcontractors/vendors, suppliers who partner with us in providing IT business solutions; shareholders and the Tata Group which is our raison d’être. Besides, local communities around our facilities whose goodwill is essential for smooth operations and, above all, the environment which is an overall enabler for the infrastructure of our business are the other key communities. The areas of emphasis for these communities are determined by individual needs and by the application of our own IT core competence.

Exhibit 6.2: Key Communities

Key Communities	Priorities/Emphasis	Support Given	
Academia Schools	Upliftment of the education system & making it industry aligned; supported through AIP. AIP involves sustained interaction with engineering & management institutes to support their curriculum & faculty upgradation. Sangam is the annual meet of heads of various institutions. Improve Education levels, Deploying IT quiz, Teachers award	By employees	By senior leaders
		Training & lecture sessions	SANGAM - Interacting with HODs
Suppliers/ Partners/ Customers	Improve quality of life Increase awareness about our green policies & TCoC deployment Align with partner's CS themes , align the strategy of our supply chain, & ensure its sustainability Align with customers & work together on CS activities	Vendor meetings & reviews	Develop partner scorecards, joint reviews at executive level & sponsor surveys
Society	Improve quality of life of the less privileged people using our core skill of IT, by volunteering directly or with NGOs. TCS has a large group of volunteers from each location who regularly support the local community especially less privileged schools, street children & orphans. This is a major CS outreach. In keeping with the Tata tradition, our focus is on community development initiatives.Engaging with Enable India foundation to increase employability of differently abled people.Engaging with Sanctuary Magazine to bring about awareness of Environment conservation.	Volunteering	Participate in community development activities,Sponsor, Personally review and monitor progress
Society at Large/Govt. Bodies	Keeping them in alignment with industry needs through collaborations with Govt. or NGOs like MSSRF. TCS' corporate initiatives in CS demonstrate the use of IT core competence for addressing large scale societal problems. ALP, software for monitoring operations under NREGS, association with MS Swaminathan Research Foundation for Mission 2007.	Working on projects	Participate in community development activities, sponsor projects, personally review & monitor progress
Employees	HR policies, Maitree & employee engagement	Volunteering	Participate in events

CS through the interface with academia

We are acknowledged for our key role in developing the software industry in India since 1968 primarily through the Academic Interface Programme (AIP), which covers more than 300 engineering colleges and management institutes and includes universities overseas. Activities include faculty development and curriculum upgrade, promotion of excellence among faculty and students, provision of industry exposure for students, sponsorship of research projects and events to foster a multi-dimensional perspective for students. The Suryodaya programme along with the Government of Gujarat in India provides satellite based distance learning for engineering students. TCS provides content and faculty as an extension of the AIP.

Exhibit 6.3: Academic Interface Program

Academic Interface Program				
Measure	2004-05	2005-06	2006-07	2007-08
No. of workshops conducted	180	268	367	427
Workshop Satisfaction Index	3.67	3.59	3.58	3.7
FDP Satisfaction Index	3.64	3.66	3.61	3.69
Project Trainee's Satisfaction Index	3.5	3.77	3.65	3.69
Project Guide's Satisfaction Index	3.41	3.27	3.52	3.49
No. of faculty trained	-	-	-	3719
Growth in Academic Liaison- US				
	2004-05	2005-06	2006-07	
	14	26	33	

Exhibit 6.4: IGNITE Programme

IGNITE Programme	
States	Number of Students (2007)
AP	12
Assam	30
Bihar	38
Delhi	115
Jharkhand	58
Gujarat	2
Karnataka	66
Kerala	152
Maharashtra	97
MP	38
Orissa	65
Tamil Nadu	818
West Bengal	62
UP	20
Total	1573

CS initiatives are driven
by champions who focus
on Ethics, Community,
Environment

CS across TCS

The Policy of CS in TCS is focused on Education, Health and Environment with use of IT core competence to address large scale societal problems. The policy is guided by the UN Millenium Goals.

TCS continues to pursue improvements in its CS practices through involvement with organisations and initiatives such as Business in the Community's (BitC) Corporate Responsibility Index on a worldwide basis. TCS social spend in the domain of corporate sustainability comprised funding amounting to Rs 200 million with a further Rs 80 million to support the deployment of IT solutions to address large scale societal problems such as the CBFL programme, mKrishi farmer's phone, webhealthcentre.com, National Rural Employment Guarantee Scheme and the like. CS targets and objectives in all main geographies are shared worldwide in a continually developing scorecard.

These initiatives are driven by champions who focus on Ethics, Community, Environment These champions are coordinated by a facilitator in each region with a two-way reporting structure, with the core CS leads in India, the UK, Europe, the USA, APAC and Ibero America. These, in turn, mutually support and develop CS in their adjacent developing business geographies.

TCS has endorsed two international voluntary initiatives, namely, the United Nations Universal Declaration on Human Rights and the UN Global Compact. Since 2007, TCS has been reporting on Corporate Sustainability under the Global Reporting Initiative. TCS is a member of BitC in the UK. TCS has also participated in the Corporate Responsibility Index since 2005; in 2007, we achieved the overall Gold status (91%) and the Platinum standard for our Community programmes.

We have been expanding our Corporate Sustainability initiatives within the United States by participating in projects along with charitable organisations like the United Way and The American Heart Association and by supporting educational causes like First Book. During the past year, over 500 TCS associates participated in the "Walk of Hope" in support of breast cancer awareness campaign over seven cities. TCS has also participated in corporate sustenance programmes for our customers by finding common cause with the customer's employees in areas of common social concerns. Recent instances include the cleaning up of the De Witt Clinton Park in New York, a blood donation drive with Morgan Stanley; support of the Leukemia and Lymphoma Society of Delaware Chapter with AIG.

In the UK, a significant campaign has been the work done with underprivileged youth, initially through sponsoring of Stepney Football Club in a deprived part of London to address major selfesteem and racial tension issues and education

Since 2008, TCS is a key sponsor of the Mumbai Marathon which attracts global sporting talent and is a major vehicle for fund raising for social causes.



TCS COO Mr. N Chandrasekaran runs the 42 km Mumbai Marathon January 20, 2008

aligned activities driven cooperatively by national CS and Royal initiatives. Other UK initiatives include active participation in fund raising for heart disease and other health campaigns along with involvement in education activities. TCS's involvement in corporate sustainability activities across the globe includes initiatives with the UN World Food Programme's Walk of Life across Europe, the Downs Syndrome Association in Singapore and Australia, and the 'Endeavour' initiative in Uruguay for grooming of local entrepreneurs.

Other noteworthy ongoing CS projects of TCS in India are:

- The Computer-based Functional Literacy Programme, with over 1,00,000 learners all over India, has offerings in eight Indian languages. The development of the ninth language (Kannada) is in progress and is due to be released in the second half of 2008
- Software for Childline, an organisation that helps children in distress. The software helps linking and monitoring of various Childline centres in India. The improved version of the software CHILDLINE V.2 integrates new and more powerful functionalities and helps the system, which receives more than 2 million calls a year
- Leading a project to build a new hospital at Haji Ali, Mumbai, for the Society for Rehabilitation of Crippled Children, the proposed budget of which is Rs 1,000,000,000

Since 2008, TCS is a key sponsor of the Mumbai Marathon which attracts global sporting talent and is a major vehicle for fund raising for social causes.

Public Policy Participation

TCS strictly adheres to the policy of non-alignment with any political party as laid down in the Tata Code of Conduct. There have been no corporate contributions to political parties, politicians and related institutions globally.

CS Recognition during the period

- Gold Band (90%+) in the UK Business in the Community Corporate Responsibility Index
- EMPI Indian Express Innovation Award Gold Trophy for TCS Literacy Programme
- Corporate Citizen Award from Rotary Club of Ambattur, Chennai
- TCS listed in the 50 company Standard & Poor's Environment, Social and Governance (ESG) India Index (January 2008)

TCS Netherlands takes 'First Step' to fight child hunger

Case Study

This year, on 13 May 2007, people all over the world once again joined the 'Fight Hunger, Walk the World' campaign of the World Food Programme (WFP). As per WFP estimate, 18,000 children die of hunger every year and this walk was a step towards fighting the scourge that has ravaged humanity since time immemorial. TCS invited the residents of Amstelveen and Amsterdam in the Netherlands to join the Amstelveen Walk the World 2007. The participants assembled at Amsterdamse Bos where BENELUX-HR Rajiv Kumar distributed T-shirts and wristbands.

The event was kicked off by BENELUX region Marketing Manager Vidhya Sampath followed by a brief speech by Councillor for Economic Affairs and Labour J.P.W. Groot who emphasised on the need for awareness of the issue. The Netherlands RM and Europe Sales Head Girish Ramachandran briefed the audience about TCS's commitment to this social and global cause. The mayor lauded the contribution that TCS has made till date in the Netherlands. Nearly 100 individuals from TCS, local Dutch community, invitees and customers participated in the walk with banners and flags. Every individual joining the walk contributed a minimum amount that was matched by TCS and the proceeds went to the WFP.



TCS invited the residents of Amstelveen & Amsterdam in the Netherlands to join the Amstelveen Walk the World 2007.

Hand in hand – TCS and Hope School, China

Case Study

On October 12, 2007, TCS Youyi Club ('Youyi' means 'Friendship' in Chinese) commenced its activities with Hope School. TCS China COO Ravi Kethana along with TCS associates Icey Li, Li Zhang, Guru, Haitong Liu, awarded scholarship and Tata branded merchandise to 13 students. Called the Tata Hope School Scholarship, it provides education to the children of migrant labourers. Since 1997, Hope School has helped 2000 children in completing their primary schooling and 350 students in secondary schooling.

TCS will be working with the school for one year by providing faculty support, giving out scholarships, conducting sports and drawing competitions and providing an opportunity to the teachers and students to visit our facilities. The students gave exceptional performances during the event. The team would like to thank Julia, Susan, Judy, Tina, Li Gang, Song Jie and Li Xiaofang for their support during the event.



TCS Youyi Club ('Youyi' means 'Friendship' in Chinese) commenced its activities with Hope School. TCS China COO Ravi Kethana along with TCS associates Icey Li, Li Zhang, Guru, Haitong Liu, awarded Scholarships to thirteen students.

TCSers complete half a year of service at the Home Depot, USA

Case Study

Spirited volunteers from TCS have spent about 200 hours in six months of service, spanning seven projects at the Home Depot. The first two projects involved environment conservation activities at the Big Trees Forest Preserve, Atlanta. Twelve TCS volunteers helped preserve the forest by mulching, removing invasive and non-native species and planting saplings. Another project, 'Organising Community Depot', was a run-up to USA's single largest day of Service 'Hands-On Atlanta' Day. Eight TCS volunteers had chosen to participate in a programme that involved the cleaning and organising of homes for the senior citizens and the homeless in Atlanta.



TCS also partnered with TechBridge, an Atlanta-based non-profit organisation that delivers technology services to non-profit organisations. Again, eight TCS volunteers, including the TCS Global Relationship Manager for the Home Depot, Sowmya Rajagopalan, and her family participated in a PC Dismantling programme. This involved the refurbishing and recycling of old computers so that they could be given to needy individuals or other non-profit organisations that are not able to afford them. Then, nine TCS volunteers participated in a Firehouse Renovation project organised by the Home Depot, providing appliances and cabinetry to the firehouses as well as helping with painting, landscaping and general cleaning around the firehouses. And the good work continues.

Advanced Computer Training Centre in Mumbai for the visually impaired - A Pioneering Initiative by TCS Maitree

Case Study

Despite such an alarming rate, not much constructive effort has gone into projects that can aid people who are blind or visually impaired. The literacy rate amongst the blind is only 3% and the number of government aided and NGO run special schools for the visually impaired are not more than 570.

It is alarming to note that India has the world's largest visually impaired populace. Of the total blind population in the world, as many as 45 million or 25% reside in India.

Despite this, a few corporate houses have in fact come forward to employ these 'special people'. However, given their academic background, most of them have not been able to avail of the benefits of Science and Technology during their education. Currently, no sync exists between the courses offered to the visually impaired (at various computer training centres) and the actual requirements of the IT industry.

After a thorough situational analysis and needs assessment, including discussions with many trainers of the visually impaired across the country, it was decided that focussing on the following three major aspects would enhance the employability of the blind. IT Infrastructure & Service Management including System Administration / Operating Systems, Computer Networking, awareness on various Microsoft based certifications, large scale IT infrastructure, basics of Visual Basic (VB) scripting, Help Desk Building competency for the BPO sector such as attribute based training focusing on behavioural pattern, Analytical skills, Customer Orientation and Communication skills, Help Desk in a corporate scenario, Orientation on Career Mapping Soft skills.



To bridge this gap, TCS Maitree paved the way and pioneered an Advanced Computer Training Centre (one of its kind in India) for the visually impaired at MN Banajee Industrial Home for the Blind at Jogeshwari, Mumbai. This centre offers courses that are in sync with industry requirements and this would help them to get employed.

We hope that the objective of bridging the gap between 'training for employability' and 'employment' will be met through continued support & cooperation.

A dummy Global Help Desk was set up at the state-of-art centre to give a live demonstration and hands-on experience to the trainees. The training ended with a session in Quality Assurance. The trainers from the BPO L&D team and Infrastructure Services innovatively explained different concepts in soft skills, customer interactions, computer networking, Active Directory Services and other modules. The trainees were inspired by the regular visits of the TCS leadership team who provided a perspective on the IT industry.

Maitree facilitated employment of five trainees in organisations like TCS, CBay Systems and Dow Chemicals. The aim of this initiative was to create suitable opportunities for the visually impaired and to prove that they had the skill and ability to excel without any preferential treatment being accorded to them. This has already been conclusively established by all the visually impaired individuals who have been employed in the past by TCS.



The pilot batch for eight visually impaired trainees from Mumbai commenced on March 24, 2008 and the one month's training got over on April 25, 2008.

TCS-Maitree Rural Development Initiative at Panvel, near Mumbai

Case Study

Just off the Mumbai-Pune highway, an hour's drive from Panvel, lies the village of Wazapur in the Raigad district of Maharashtra. Barely 60 km from the country's financial capital, Mumbai, the village till recently was devoid of even basic amenities. Today, however, it has witnessed a transformation largely owing to the tireless effort of hundreds of TCS volunteers working under the "TCS-Maitree" banner. The volunteers in the last three years have helped to sustain holistic development in Wazapur based on partnerships. A sustainable model has been built to improve education, healthcare and environment in the area.

Two other villages, Sangtoli and Umroli, have relatively lesser population. This journey started four years ago with the intention to teach conversational English to the children of a primary school in Wazapur village. The Maitree team felt the village faced issues such as education, water supply, illiteracy and women empowerment, and our team could make a "difference" in the lives of the villagers through their selfless contribution.

What started as a children's education programme in Waze now reaches more than 600 students from multiple villages in the area. Apart from meeting the need of primary and secondary school students, the mid-day meal scheme has been extended to the Balwadi kids. A computer literacy programme was launched in 2006 and more than 450 children from seven surrounding villages have benefited from the Computer Lab set up by TCS. This year a course in computer programming has started for the secondary school kids.

Village Name	Population
Waze	1500
Cheroli	300
Wazapur	200



This year Mr. S Ramadorai, CEO & MD, TCS inaugurated a new block with a state of art Science lab and additional classrooms in the Waze Secondary school.

The aim of this initiative is to create and implement a sustainable, scalable, technology-supported community infrastructure, catalyzing the transformation of the villages.



A new Gram Vikas Abhiyaan Kendra was recently inaugurated to facilitate income generation for the women.

The infrastructure in the villages has been developed by TCS volunteers. Electricity is drawn from renewable energy sources, that is, a hybrid system combining solar panels and a small wind mill.

Maitree felt the need to empower women in Wazapur because women can play a major role in the development of society. So, the Women Empowerment Programme (WEP) , led by women volunteers from TCS, was started. More than 25 women from three villages in the area were taught to perform basic calculations and were made aware of issues like health and hygiene. They have also been trained in embroidery, stitching and other craft like needlework over the last one year with help from the Women's India Trust.

Sustainability is an essential feature of TCS Maitree initiatives. Right from the very beginning, conscious efforts have been made to select sustainable interventions. Some of these efforts are in the direction of sustainable income generation programmes, emphasis on Child and Adult literacy, developing linkages with government and other agencies, setting up a plant to provide clean drinking water, and setting up a Vocational Training Centre with the help of Women's India Trust so that a large number of women can be trained and later employed. TCS Maitree strives towards nurturing and building capacities amongst village communities and sees making a difference in the lives of villagers as one of its critical roles. . It also seeks to empower women and make them self-reliant through education.

mKrishi (Mobile based Agro Advisory System)

Case Study

Since the scaling-up of mKRISHI will depend on network of local franchisees, operators and experts, TCS is working on developing an eco-partner network including NGOs, agriculture faculty, research scientists from national research labs and farmer's associations.



**Mobile based
Agro
Advisory**

TCS Farmer Application
(Project mKrishi)
Advice on fertilizers

mKrishi is an agro advisory system developed by TCS. It connects farmers to their own eco-systems through specially developed applications on mobile phones. The application can support interactive and multimedia content to provide farmers the required information.

In mKrishi, data from a farmer reaches the central server through a cell phone. Experts access this information on their PC and reply with their advice in the native language using Roman script. mKrishi's features include: weather forecasts, pesticide and fertiliser advice, and market information.

Additionally, mKrishi includes soil and weather sensor technology in the farms, Interactive Voice Response (IVR) technology on the handset, and Voice SMS features in the software are used to transport voice messages between the farmer and the expert along with innovative use of the camera in the mobile handset for providing high resolution pictures of crop images along with software to process these images to bring out patterns to detect plant diseases.

TCS believes mKrishi is the first serious attempt to integrate various technologies and provide crop, soil and location specific personalised advice to the farmers in local language on a mobile phone. The system, currently operational in Bargaon village in the grape-growing Sangli district of Maharashtra, has proved to be truly beneficial. It is now being operationalised in three other villages for use by farmers growing cotton, soyabean and potatoes.

Education

Case Study



TCS Australia in Sydney, in partnership with The Smith Family, held the first InsightT - basic summer camp for students in Year 12, as part of its Corporate Sustainability initiative.



2,000 Science graduates to be transformed into Software professionals in 2007-08

InsightT - Basic Summer Camp held in Sydney

TCS Australia, in partnership with The Smith Family, held the first InsightT—basic summer camp in Sydney for students in Year 12, as part of our Corporate Sustainability initiative. The Smith Family is a not-for-profit organisation focused on improving educational outcomes for disadvantaged children in Australia. The objective of the programme was to generate an interest in students about IT as a career. The levels of interest in IT as a career have been receding in Australia. The 10-day programme focused on strengthening core coding skills and providing support skills required by the IT industry through practical training.

TCS to scale up Ignite program after successful conclusion of 7-month pilot

TCS announced that the pilot programme of Ignite – the company's pioneering initiative to help science graduates transform into software professionals – has been successfully completed by 500 trainees who have been inducted into the company's operations thereafter. TCS plans to scale up the Ignite programme to hire 2,000 science graduates in the current financial year. Designed as an intensive seven-month programme with live project experience, TCS Ignite aims to equip maths and science graduates with the skills necessary to pursue a career in the fast-growing IT industry.

The pilot batch of TCS Ignite consisted of 500 science graduates selected from over 200 colleges spread over nine states. Over 60% of the batch comprised women belonging to various states including the North Eastern states, which have not been traditional 'talent sourcing destinations' for IT companies. Over 65% of them are first generation graduates in their families, while approximately 60% of the pilot batch came from Tier III cities, Class C towns and villages.

TCS Ignite is a new initiative in learning that is specially designed to build a strong foundation in software through a customised curriculum. It begins with logic and problem solving methods and moves to their application in real world scenarios.



Sangam 2007, Ninth TCS Academic Interaction Meet

The Ninth TCS Academic Interaction Meet - Sangam 2007: Meeting of Minds was held on 22-23 October, 2007, at TCS Peepul Park campus in Thiruvananthapuram, Kerala. The meet was based on the theme "Collaborate to Create Tomorrow's Innovative Leaders". Sixty-five academic leaders, including academicians from Uruguay, Brazil, China, Singapore and the USA participated. The leaders were presented with the highlights of TCS Academic Interface Programme along with an update on the various activities and new initiatives taken up by TCS, based on the action items identified during Sangam 2006. Concurrent panel discussions led by TCS managers were arranged on Engineering, Management and Science on topics like "Academic Research Collaboration", "Developing Domain Consultants", "Expectations from the Science Graduates", "Faculty Support Models" and "Strengthening Linkages with the Software Industry".

TCS - EW Teachers Award Attracts Over 20,000 Entries

Chennai, January 9, 2008: The TCS-EducationWorld Teachers Awards, celebrating excellence in teaching, attracted an overwhelming response with 1481 nominations from across the country. Instituted in 2005 by TCS, the award is part of TCS's initiatives in the sphere of education that includes workshops, computer labs, and the immensely popular countrywide inter-school TCS IT Quiz that reaches out to tens of thousands of urban and rural students in the country. The award is open to all primary and secondary school and junior college teachers who have exhibited innovative techniques, inspired students and aroused their curiosity. An eminent jury consisting of academicians and experienced teachers shortlisted the nominees who were asked to send a 300-500 word write up on their teaching innovations and initiatives.



CEO Presenting the awards to the winners

Presenting the awards to the winners, Mr. S. Ramadorai, Chief Executive Officer and Managing Director, TCS, said: "The Teachers Award is TCS's way of recognising and promoting innovative teaching methods that will help nurture curiosity and creativity in young minds and prepare them for tomorrow's world. We are delighted to reward those who are making that happen."



The State Winners received a glittering trophy, TCS cash scholarship of Rs 70,000, Canon digital cameras, Titan watches and Casio digital dairies. The I & II Runners- up also received trophies and TCS cash scholarships. All the finalists were given Casio digital dairies and the book 'Sand to Silicon' authored by Shivanand Kanavi, VP, Special Projects.. Earlier at the zonal level, conducted in early October, all the state finalists had each won Rs 15,000 and a Philips i-Pod earphone.

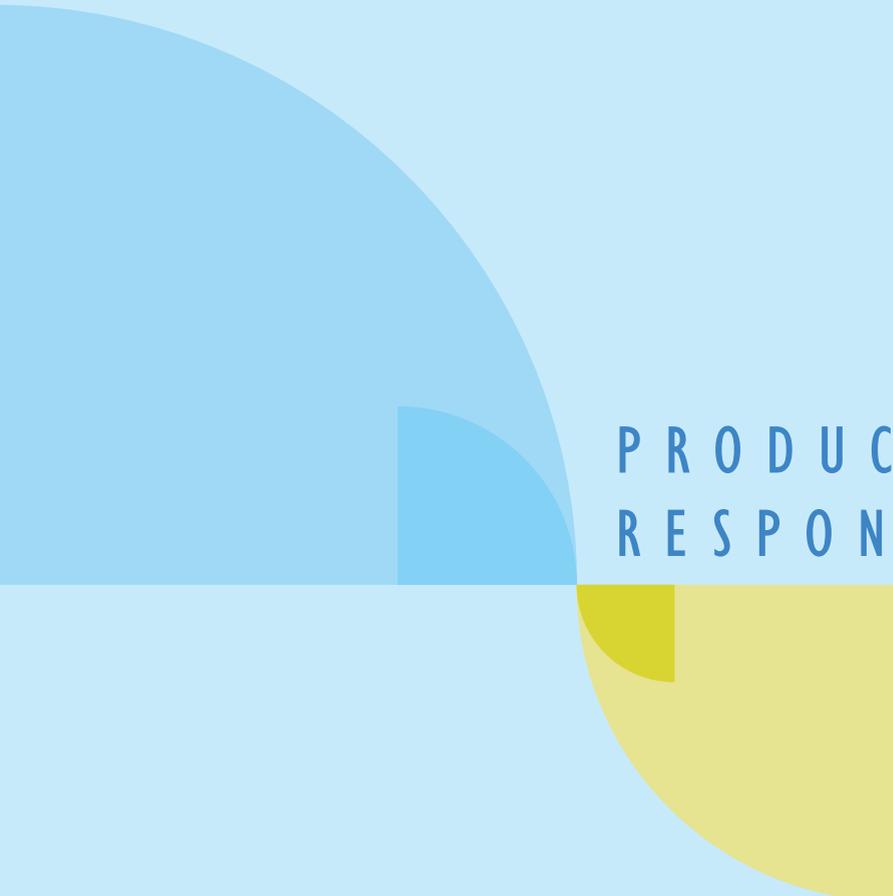
1.2 Million Students Participate in TCS' Rural IT Quiz 2007

For the eighth consecutive year, TCS conducted the Rural IT Quiz in partnership with the Department of IT, BT, Science & Technology, Government of Karnataka. With over 1.2 million students from standards 8-12 in the state participating this year, the quiz was one of the biggest IT Quiz programmes in India.

The quiz was part of the event BangaloreIT in 2007. After the statewide preliminary round and district round conducted in September, the regional level finals was conducted at Gulbarga, Dharwad, Davangere, Tumkur, Hassan and Udupi from 15 to 24 October. The six finalists battled it out at the State Finals conducted on 30 October at Bangalore. Most of the students who made it to the State Finals were closely following the quiz for the past couple of years and were only too delighted to represent their districts.

The quiz began with the first round on 'Topology' – a software-powered round with an interactive crossword, 'Domain Expertise' – where the quizzing software would provide a grid of topics to choose from, 'Ping' - a rapid fire round, 'Experience Certainty' – a connect round where teams had to piece together the visual and audio clues and 'Bandwidth' - a three-clue round about companies, personalities and products. Questions from Quizmaster Giri Balasubramaniam were ably fielded by the rural students who proved their IT prowess by answering even the most difficult questions.

The Rural IT Quiz has entered the Limca Book of Records as the first IT Quiz for rural students in India. The consistent growth in the number of students participating every year reflects the interest levels the quiz has been generating, and the increasing comfort levels of students with respect to information technology. Madhavan Nambiar, Additional Secretary, Department of IT, Ministry of Communications & IT, Government of India, was the chief guest on the occasion. M.N. Vidyashankar, Secretary to the Government, Department of IT, BT and S&T, J. Parthasarathy, Director STPI, and Nagaraj Ijari, VP & Head, TCS Bangalore Operations, were amongst those who graced the event.



PRODUCT
RESPONSIBILITY

Driving the IT Industry on the Front-Foot



N Chandrasekaran
Chief Operating Officer
and Executive Director

The history of TCS has been a story of firsts. It was the first company to convince customers that doing projects from India, thousands of miles away from their home bases in the United States and United Kingdom made for a compelling value proposition. The business model was built around an India-centric delivery model complemented by having people based at customer sites to ensure seamless delivery of services.

As our customer base expanded globally, we, at TCS, built the capability to leverage our core process and delivery strengths and proactively set up operations across the globe. Specifically, we entered into markets like Europe, Asia Pacific, Ibero America as well as Middle East and Africa. TCS has also created a Global Network Delivery Model™ (GNDM™) which links Mumbai to Montevideo and Hangzhou to Hyderabad, and delivers a single service standard globally.

Our GNDM™ has helped TCS to become the pioneer in global software development and delivery. It is a unique differentiator for TCS when compared with the traditional global IT service companies who have always worked in physical proximity to the customer. GNDM™, on the other hand, has allowed us to build and test solutions at different remote facilities, and then put them together before delivering the final solution to the customer. The newest additions to this model have been new centres in Morocco, Mexico, and Cincinnati, Ohio.

The second driver of this disruption has been the constant eye on process centricity from the early days. This greater focus on process discipline – TCS was assessed enterprise-wide at CMMI Level 5 in 2007 again – has allowed the Company to scale while maintaining high quality levels. Leveraging our core competence and deploying this globally gave the Company the confidence to replicate it at the same high quality regardless of the location or scale.

Excerpt from Annual Report 2007-08

Quality Management System

Nearly 35 lead auditors of TCS are qualified to lead ISO 9001 certification audits, and over 170 internal auditors — the largest pool of auditors among software companies in this part of the world — ensure that a quality management system is implemented in each of our projects. TCS has about 2,300 Certified Software Quality Analysts, comprising over a third of the world's certified quality analysts and the largest number in a single company.

The Quality Assurance Methodology followed by TCS is based on ISO 9001 and SEI-CMM key practices to ensure that only the highest quality products are delivered to our customers. Fifteen centres of TCS have achieved the benchmark process Level 5 of the Capability Maturity Model (CMM), established by the Carnegie Mellon University's Software Engineering Institute.

Most of the TCS Engineering Development centres in India use Six Sigma techniques to achieve operational excellence. There are more than 600 Green Belts, 80 Black Belts and 15 Master Black Belts in the organisation. Six Sigma initiatives are pursued in other offshore delivery centres as well.

Nearly 35 lead auditors of TCS are qualified to lead ISO 9001 certification audits; over 170 internal auditors—the largest pool of auditors among software companies in this part of the world—ensure that a quality management system is implemented in each of our projects. TCS has about 2,300 Certified Software Quality Analysts, comprising over a third of the world's Certified Quality Analysts (CQAs) and the largest number in a single company.

TCS received ISO 9001:2000 certificate in December 2002. RWTUV, GERMANY audits TCS every year for compliance to ISO 9001:2000 standards. Some of the large customers conduct International Organisation for Standardisation (ISO) audits on the development processes followed for projects executed by TCS.

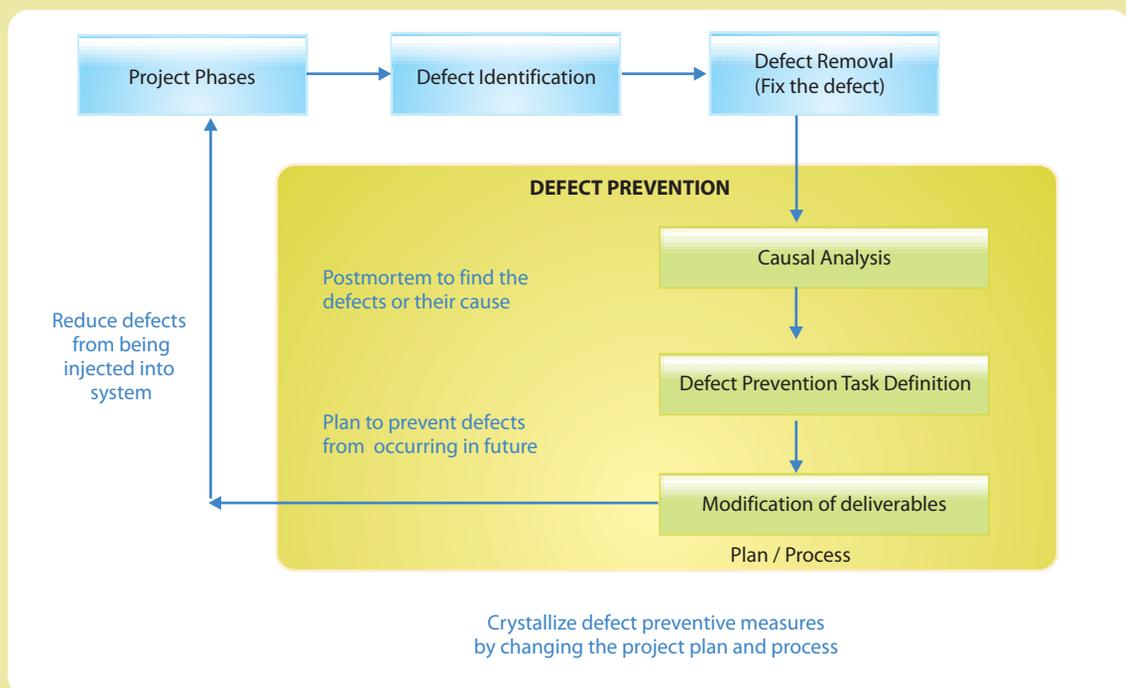
TCS proposes the following to support the 'Quality Renaissance' programme of the customer:

Quality Assurance Process

The Quality Assurance (QA) activities in a project are carried out by teams both internal and external to a project. Internal quality assurance (IQA) activities are done on a continual basis while external quality assurance (EQA) activities are carried out by a separate quality assurance group, headed by the Quality Coordinator (QC), for an independent review.

A quality assurance team is associated with the project, based at offshore, which ensures that the quality assurance activities are followed from the beginning till the end of the project. The team is staffed with experts in QA procedures, TCS's and customer's methodologies, as well as in the technical environment. This team constantly interacts with the project team and QC to monitor quality of services.

Exhibit 7.1: Defect Prevention



The above process will ensure that the non-conformances and rework are reduced.

The objective of the review process will be to:

- Facilitate error/fault or problem detection at the earliest
- Enhance the quality of services in terms of its technical attribute
- Ensure conformance to the project standards and guidelines

On the whole, the following steps are taken to ensure quality of the execution process and deliverables:

- Definition of procedural and documentation standards
- Inspection of input from customer
- Walk through of procedures and periodic reviews for verifying compliance to standards and guidelines
- IQA and EQA reviews
- Defect logging, tracking and analysis
- Corrective / Preventive actions based on causal analysis
- Final inspection checks before delivery

The overall quality of the process as well as the product is measured in terms of the metrics collected during the various stages of the project life cycle.

Quantitative Project Management Approach

Quantitative Project Management Approach

To track project performance, it is essential to identify indicators that measure both product and process quality. To measure project performance, it is essential to set target values for these indicators and compare them with their actual values gathered over a period.

The approach applied to manage the project's process and to achieve product and process quality goals are:

- Identification of product and process quality goals (both customer specified and internal goals)
- Selection of metrics that will represent the product and process quality performance
- Understanding the variation of metrics using various statistical techniques
- Monitoring of the metrics to ensure the process is capable of meeting the goals and identifying corrective / preventive action.

Continuous Improvement of Process and Technology

As part of the SEI-CMM maturity level 5, process and technologies are continuously improved to maximise customer satisfaction. The Process Change Management (PCM) and Technology Change Management (TCM) are executed as per the following procedure:

- Collecting process and technology improvement proposals from all the stakeholders including customers
- Identifying and analysing the innovative proposals
- Piloting and deploying improvements
- Measuring and validating the improvement effect

Product Responsibility Strategy and Management Approach

TCS takes responsibility for the products and services we deliver. Our Quality Management processes ensure that the service we deliver has minimal defects; TCS also provides warranty periods in the customer contracts for after-delivery service in case of a defect.

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TCS-Ferrari Racing Ahead

For TCS, every Formula One race holds a special kind of affection. Since 2005, we have a close working relationship with Ferrari, the Italian sports car manufacturer whose name is synonymous with Formula One racing.

TCS provides Ferrari with solutions spanning Engineering and Industrial Services (Engineering Design, Engineering Simulation, Digital Manufacturing Services, CAD Migration, PLM Implementation and Maintenance), IT (Agile software development), Infrastructure Services (including Unix System Administration and High Performance Computing System support) and key offerings from the Manufacturing Industrial Solutions Unit. In fact, a team from our Chief Technology Officer CTO office constantly interacts with the Ferrari CIO team to explore possibilities for collaborative innovation.

So, 26 June 2008 was a very special day for TCS because we received the Innovation Award from Ferrari for our ability to use technology services to spur innovation in one of the most competitive and technologically advanced areas of automobile engineering. Ferrari Racing Department Director Stefano Domenicali presented the Innovation Award to TCS personnel.

TCS's commitment to quality and schedules ensures that the client's needs are met consistently. We adopt a systematic approach to problems and encourage experimentation, innovation and creativity in finding feasible solutions. Being a process-oriented organisation, TCS believes that the definition of a good process and subsequent adherence to that process is a critical part in ensuring a successful project. By automating manual processes for our clients, TCS aims to reduce paper usage. Through our R&D arm, Tata Research Development and Design Centre (TRDDC), TCS is currently exploring new ways of converting industrial waste into useful products.

Customer Satisfaction and Dissatisfaction

The 2008 online survey, conducted between late August and early September, specifically addressed aspects like customer satisfaction, customer relationship, competition, branding, and project management.

Client Experience Report – Lifeline 2008 Survey

Each year, we conduct a client satisfaction survey to determine and understand the organisational needs of our clients whom we consider instrumental to our business. Earlier, the survey was conducted by TCS. To make the survey an independent and unbiased activity, we have appointed an external research company to conduct the survey.

To begin with, all “touch points” and “memorable moments” that had a bearing on the overall customer experience and opinions were considered. As this was a completely new approach and methodology for measuring client satisfaction, no comparison to historical data or trends would be accurate. To encourage greater participation, our clients had the option to respond anonymously if they wished.

The 2008 online survey, conducted between late August and early September, specifically addressed aspects like customer satisfaction, customer relationship, competition, branding, and project management.

In all, 290 accounts, representative of various industries and geographies across the globe, were invited to participate. The survey registered a participation of more than 60%. Some of the findings of the survey were:

- Globally, overall satisfaction with TCS at nearly 80% among our clients
- About 90% our clients will recommend TCS to prospects
- More than half of our clients said in future as well they would engage TCS for our service offerings and solutions even more than they currently do.

Follow-up and Improvements

A detailed process was established to ensure that every aspect of the client survey findings was addressed, reviewed and tracked. The survey culminated with the submission of reports for each of the individual clients, who had participated in the survey, as well as for each client account, operating or divisional unit, industry, geography and globally. In all, more than 600 different reports were produced and distributed to the applicable associates and units.

Next, an analysis was conducted at every level of the organisation from the individual account level to the divisional level through to the global level of the organisation to identify best practices and opportunities for improvement. As other touch points such as Finance, Human Resources, and Marketing at the local, regional, divisional and global level have an indirect influence on our client relationships, these departments were also apprised of the outcome of the survey.

TCS organised two-day customer networking event—TCS Summit Australia 2007—at Blue Mountains, Sydney, in last December. The theme of the event was ‘Business Innovation: The Next Paradigm’. The event brought together senior executives from customer organisations to share ideas, learn best practices and discuss current and upcoming issues affecting the industry.

Each geographical and organisational unit was provided with tools to identify areas that potentially required specific attention. These areas were captured in plans for appropriate action to address any shortcomings. During monthly and quarterly meetings, the plans are reviewed to track progress.

A similar process exists at the project level, but is specifically focused on the individual client relationship. Each client account is looked after by a Business Relationship Manager (BRM) who is largely responsible for taking corrective action at the relationship level. The BRM strives to strengthen the relationship by drawing up plans for new projects from existing clients.

Our overall customer satisfaction index, as measured by internal surveys, has been consistently maintained above the organisational target of 85%.

To improve our quality of service, we also analyse customer feedback Industry Solutions Unit (ISU) wise, which has been steadily improving over 85%.

Adherence to norms for Information security and Business continuity

TCS is ISO 27001 certified, which is the most widely recognised security standard for Information Security Management and is an assurance that the confidentiality, integrity and availability of vital Corporate and Customer information is maintained. TCS arranges Legal training workshops in-house to provide Project Managers and Technical Experts with a broad perspective of the laws applicable in our Line of Business, entailing contracts and Intellectual Property Right laws. One of the attributes in CSS also rates the performance of TCS against compliance to norms for security management and continuity planning.

TCS has performance rating that has been improving over 85% for a period of four years and no complaints are received regarding non-conformation of information security from our customers



TCS organised two-day customer networking event—TCS Summit Australia 2007—at Blue Mountains, Sydney, in last December. The theme of the event was 'Business Innovation: The Next Paradigm'. The event brought together senior executives from customer organisations to share ideas, learn best practices and discuss current and upcoming issues affecting the industry.

Research and Development

The Chief Technology Officer (CTO) at TCS and the R&D Organisation strives continuously to increase the value delivered to TCS businesses and to enhance the quality and visibility of TCS research. The formal platform for innovation governance, established in 2006-'07, has enabled us to work with synergy and unified focus in 2007-'08 towards these goals.

The fundamental change we brought in this year was in our innovation outlook: research is to have a clear focus on current and future customer needs. In each domain and technology, we reviewed customer 'jobs-to-be-done', pain points, current and future needs, and used the inputs as springboards for research. Our research and our solution frameworks are aligned to outcomes that we spell out as "themes". Five of these themes address key expectations from IT.

- Increase Operational Efficiency
- Promote Business Agility
- Simplify and Transform
- Manage Enterprise Risk and Compliance
- Enable Understanding of Markets and Customers

K Ananth Krishnan
Chief Technology Officer



The other five themes of research outcomes address business, organisational and social goals, in order to:

- Enrich User Experience
- Optimize Enterprise Knowledge
- Foster Information Ubiquity
- Enhance Healthcare
- Conserve the Environment

There has been a dramatic rise in our research quality and visibility. A total of 26 patents have been filed this year, taking the total patents in process to 101. We were granted 17 patents, which were filed earlier, taking the total patents granted so far to 37. Our researchers have published more than 64 papers in national and international journals and conferences. We have conducted several seminars and lectures, and our researchers regularly participate in events conducted by premier research bodies. Several senior researchers in our labs have received prestigious awards and international recognition. Our research initiatives have won us repeated acclaim. TCS's Java Profiling Solution won the "Skoch - The World is open" Award this year, and the TCS WAN Emulator Solution won the FOSS Award. Our Adult Literacy Program won the EMPI Indian Express Innovation Award.

We launched a new lab (TCS Innovation Labs—Insurance) in the Insurance domain to co-innovate with customers on insurance products and services. The Web2.0 lab—a part of TCS Innovation Labs, Chennai, launched this year—has facilitated collaborative platforms and web2.0 features both for TCS and for our customers.

I am confident that the strategy, initiatives and processes we have institutionalised will bring greater achievements in TCS's research in the coming years.

- K Ananth Krishnan
CTO

We set up a lab in Peterborough that works on New Wave Communications for the enterprise and will showcase all TCS innovation. We have announced a new Innovation Lab in Cincinnati, Ohio, US. We have also initiated incubation of a small number of 'big bet' investments that are expected to deliver value in a year.

TCS Co-Innovation Network™ (COIN™) has made big strides since its inception last year, and COIN™ engagements have been geographically well distributed with partners in the USA, Europe and Asia. So far, over 130 companies have been engaged through COIN™. We continue linking up with renowned academic institutions to foster research. COIN™ members have congregated in the TCS Innovation Forum in the US and the UK. We conducted Innovation Panels at the TCS Summit customer events and ran Co-Innovation Days with key customers. Several workshops and symposia on COIN™ in the US, EMEA, India and APAC geographies have drawn a lot of interest.

TCS has adopted an agile and customer-centric operating model from April 1, 2008. The CTO and R&D Organisation strengthens its linkages with the Technology Excellence Group (TEG), Industry Solution Units (ISU), Strategic Growth Businesses (SGB), and Business units (BU) and help them to enhance their value proposition to their clients through innovation. The Corporate Technology Board (CTB) has been expanded to include representatives from TEG, ISUs, BUs and SGBs. The Technology Advisory and Review Board (TARB) has been strengthened with a core working group of three members who play a greater participatory role.

The CTO and R&D Organisation has been structured as a role based organisation, with research and technology career paths defined. We continue to attract top talent from Indian and international academic institutions. We launched the TCS Innovation Awards to foster a culture of innovation in the organisation at large. Several hundred nominees from across regions, functions and geographies were put through a rigorous selection process and 43 "iOne" awards (innovators in their first year in TCS), 34 "Yi" winners (young innovators), seven "Best Innovation Initiative" awards and two "Best Innovation Lab" awards were distributed.

I am confident that the strategy, initiatives and processes we have institutionalised will bring greater achievements in TCS's research in the coming years.



TRDDC honoured by president Kalam's visit

Evolution of the TCS Brand



P A Vandrevala
Executive Director
and Head,
Global Corporate Affairs

The latest phase of evolution of this Company's brand identity began with the creation of a new brand promise and the resulting launch of the "Experience certainty" campaign in the last quarter of 2006-'07. An implicit promise remains to provide a level of certainty and excellence to our customers that no other IT company can match. This promise of certainty is not based on some boardroom and cafeteria anecdotes, but is a notion backed by data and enthusiastically endorsed by our customers across the world.

The advertising campaign that accompanied the new launch was seen in major media outlets in India and major markets like the United States, United Kingdom and Europe and resonated strongly among all stakeholders including customers, investors and employees. This has been supported by new branding collateral including a redesigned www.tcs.com which hosts the certainty success stories of many customers, original research on the impact of certainty on business globally and thought leadership articles and blogs about using technology and innovation to drive business results.

For a large, globally dispersed organisation like TCS, the brand identity in all its forms is becoming a point of reference for all my 108,000-plus colleagues in this Company. The visual aspect of the brand, which is being established at facilities, gives employees a feel of a common culture and identity regardless of whether they are working in Chennai, Chile or China. The brand, therefore, is emerging as a key medium for conveying the Company's mission, vision and values and immersing all of us in TCS into one corporate identity. The Company's efforts in establishing the TCS brand will undertake even greater importance as we increase our global footprint to beyond 50 countries with delivery centres in new growth markets like Morocco and Mexico as well as others like Cincinnati (Ohio, USA) and Dusseldorf (Germany) and spread our operations to new smaller cities in India like Bhubaneswar, Cochin, and Pune.

Excerpt from Annual Report 2007-08

Marketing Communications

Our brand guidelines have been created to strengthen and add to the current equity of the TCS and Tata brands. This document will govern the way the TCS brand is perceived by our stakeholders in certain key applications.

A corporate brand like Tata Consultancy Services is more than a logo or a name. It is not what we say or think about ourselves, the company or our services, but what our stakeholders think and feel about TCS.

Our brand guidelines have been created to strengthen and add to the current equity of the TCS and Tata brands. This document will govern the way the TCS brand is perceived by our stakeholders in certain key applications. We systematically weave ourselves into the fabric of our client's business. Our visual system illustrates that complete integration. The use of multiples—the Tata mark and other visual components—evoke the rigour, discipline, and attention to detail from which the best, most certain outcomes emerge. The following guidelines illustrate how to use the components of our brand visually. They include directions on how to use our visual identity marks, weave patterns, corporate colours and typefaces, as also the tag line and competency block. These guidelines are based on the recommendations of our brand consultants and adhere to the Tata Group Identity Guidelines.

The guidelines have been created taking into account global cues and references as well as inputs from various international TCS teams, thereby bringing in a wealth of experience to create a simple and effective policy document.

There are six guidelines:

1. Corporate Identity Guidelines
2. Corp Communications Guidelines - letterheads, etc.
3. Other applications—collateral, exhibition panels, merchandise, and so on
4. Facility branding
5. Audio-visual standards
6. Digital standards

These guidelines ensure that TCS does not violate copyrights and conforms to generally accepted ethical and cultural standards, so as not to intrude on privacy. All images and text used are either owned or created by TCS or have been rightly obtained by seeking the necessary approval and buying the rights if necessary. No marketing communication or campaign content is sent to people who have explicitly requested for no contact, thus valuing individual privacy. TCS also seeks explicit permissions from customer organisations to mention their names in customer lists and for use in case studies and testimonials, which are published in marketing collaterals and media releases.

In addition to frameworks of national or international law, voluntary and self-regulatory codes (such as the ICC International Code of Advertising Practice or the OECD Guidelines for Multinational Enterprises) seek to express concepts of responsibility in marketing communications. The adoption of such self-disciplinary codes or rules can assist organisations in ensuring that their marketing communications practices conform to generally accepted standards.



Golden Peacock Environment Management System Award - 2008 Dr. Madhav Mehra, President, WCFCG & WEF(UK), H H Baba Hardev Singhji Maharaj, Head, Nirankari Mission, Dr. Olla Ullsten, former Prime Minister of Sweden presenting the award to Cdr. Pratik Deshpande (Head HSE, TCS).

JRDQV Award - 2008 Mr. S. Ramadorai, CEO of TCS receiving the award from Mr. Ratan Tata



Recognition

- TCS ranked among Top 25 in Business Week's 2007 Information Technology 100
- TCS tops the prestigious ET500 list of top Indian companies for the second consecutive year.
- TCS ranked among Top 1000 Global Forbes companies
- University of California honours TCS with 'Distinguished Corporate Partner Award'
- Tata Consultancy Services ranked Tenth Leading Global Provider of Financial Technology
- TCS awarded Wireless Reach BREW Application Funding from QUALCOMM
- TCS BANCs Core Banking ranked China's No. 1 Core Banking Solution in 2006 by Independent Research firm
- TCS wins the 2007 American Society for Training & Development (ASTD) BEST Award for third time
- TCS wins Recruiting and Staffing Best in Class Awards (RASBIC) 2007-08
- TCS achieves Enterprise-wide CMMI Level 5
- TCS wins prestigious Security Strategist Award 2007
- TCS wins Indian MAKE award for 2007
- Prestigious Award for Best Corporate Governance 2007 was awarded by The Institute of Company Secretaries of India. This is a national award for excellence in Corporate Governance
- TCS Banyan Park, Mumbai, receives Urban Heritage Award 2006-2007
- TCS Receives Corporate Citizen Award
- Tata Consultancy Services tops the DataQuest Top 20 list in the Engineering Services space in India

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		Scope of the Report	7
3.7 Limitations on report scope		Introduction	
		Scope of the Report	7
3.8 Basis for reporting on joint ventures		Scope of the Report	7
3.9 Data measurement techniques		Introduction	7
3.10 Restatements of information		Economic - Market Presence	45
3.11 Significant changes from previous report		Introduction - Scope of the Report	7
3.12 Tables for standard disclosures		GRI Index	121
3.13 Assurance		This Report has been reviewed by a renowned external consultant	
4.1 Governance structure		Corporate governance	15
		Governance Procedures and Ethics Committees and Counsellors	19
4.2 Chair / executive officer status		Corporate governance	15
4.3 Number of independent /non-executive members		Corporate governance	15
4.4 Mechanisms for providing recommendations		Stakeholder Engagement	23
4.5 Link between compensation and performance		Corporate governance	15
4.6 Determining board qualifications		Corporate governance	15
4.7 Process to address conflict of interest		Corporate governance	19
4.8 Internal mission / values statement		Introduction	2
4.9 Board identification of opportunities, risks, performance		Key impacts, risks and opportunities	9
4.10 Evaluating board performance		Governance Procedures and Ethics Committees and Counsellors	19
4.11 Precautionary principle	Principle 7	Precautionary Approach	12
4.12 External initiatives endorsed		Precautionary Approach	12
4.13 Principal membership		Community	91
4.14 List of stakeholders		Stakeholder Engagement	23
4.15 Basis for identification		Stakeholder Engagement	23
4.16 Approaches to engagement		Stakeholder Engagement	23
4.17 Key issues raised through engagement"		Stakeholder Engagement	23

Disclosure of Management Approach

Economic		Economic Strategy and Management Approach	28
Environment		Environment Strategy and Management Approach	48
Labour Practices		Labour Practices Strategy and Management Approach	68
Human Rights		Human Rights Strategy and Management Approach	87
Society		CS Strategy and Management Approach	91
Product Responsibility		Product Responsibility Strategy and Management Approach	108

Economic Performance Indicators

EC1 (core) Economic profile		Economic Performance	36
EC2 (core) Financial effect of climate change	Principle 7	Financial implications and other risks and opportunities for the organization's activities due to climate change.	43
EC3 (core) Pension plan obligations		Coverage of the organization's defined benefit plan obligations	44
EC4 (core) Financial assistance from government		No financial assistance received in FY 2007/08	
EC5 (additional) Wage comparison		Market Presence	45
EC6 (core) Practices for spending on local suppliers		Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	45
EC7 (core) Hiring policy – locality of senior management"	Principle 6	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	47
EC8 (core) Infrastructure investments		Community	95
EC9 (additional) Indirect economic impacts		Community	95

Environmental Performance Indicators

EN1 (core) Total materials used	Principle 8	Resource Consumption - Material	53
EN2 (core) Percentage of recycled material	Principles 8 & 9	EMISSIONS, EFFLUENTS AND WASTE - E-waste Management	60
EN3 (core) Direct energy consumption	Principles 8 & 9	"As TCS is a service-oriented company, nature of its operations doesn't support this.	
EN4 (core) Indirect energy consumption	Principles 8 & 9	Resource Consumption - Energy	54
EN5 (additional) Total energy saved through conservation"	Principles 8 & 9	GHG Emission	63
EN6 (additional) Energy efficient products / services	Principles 8 & 9	GHG Emission	63
EN7 (additional) Initiatives reducing indirect energy consumption	Principles 8 & 9	Green Infrastructure	51
EN8 (core) Total water withdrawal by source	Principle 8	Resource Consumption - Water	55
EN9 (additional) Water sources significantly affected by water withdrawal	Principle 8	Till date, no water sources have been affected by water withdrawal.	
EN10 (additional) Percentage of water recycling / reuse	Principles 8 & 9	Resource Consumption - Water	55
EN11 (core) Land usage related to protected areas		Biodiversity	56
EN12 (core) Impacts on protected areas"		Biodiversity	56
EN13 (additional) Habitats protected / restored	Principle 8	Biodiversity	56
EN14 (additional) Strategies for managing biodiversity	Principle 9	Biodiversity Environment Strategy and Management Approach	56
EN15 (additional) Number of habitats of IUCN Red List species affected		None	
EN16 (core) Direct & indirect greenhouse gas emissions by weight	Principle 8	GHG Emission	63

EN17 (core) Other relevant indirect greenhouse gas emissions by weight	Principle 8	GHG Emission	63
EN18 (additional) Initiatives to reduce greenhouse gas emissions and reductions achieved	Principles 7, 8 & 9	GHG Emission	63
EN19 (core) Ozone-depleting substance emissions	Principle 8	GHG Emission	63
EN20 (core) NOx SOx emissions by weight	Principle 8	GHG Emission	63
EN21 (core) Total water discharge	Principle 8	Resource Consumption - Water	55
EN22 (core) Total waste by type and destination	Principle 8	EMISSIONS, EFFLUENTS AND WASTE - E-waste Management - Bio-degradable Waste	61
EN23 (core) Total number of significant spills		None	
EN24 (additional) Hazardous waste by weight		None	
EN25 (additional) Water sources /habitats affected by water discharges / runoff		None	
EN26 (core) Products and services impact reduction	Principles 8 & 9	As TCS is a service-oriented company, nature of its operations doesn't support this.	
EN27 (core) Percentage of products reclaimed	Principles 8 & 9	As TCS is a service-oriented company, nature of its operations doesn't support this.	
EN28 (core) Sanctions for noncompliance		None	
EN29 (additional) Impacts of transport / logistics		GHG Emission	63
EN30 (additional) Total spend on environmental protection	Principle 8	Revenue Spent on Environment Specific Activities- One Million USD	

Social Performance - Labour Practice Indicators

LA1 (core) Workforce breakdown by region / type		Employee Engagement	76
LA2 (core) Number and rate of employee turnover	Principle 6	Employee Engagement	77
LA3 (additional) Minimum benefits to employees		Employee Engagement	77
LA4 (core) Collective bargaining agreements		LABOR/MANAGEMENT RELATIONS	68
LA5 (core) Notice period and consultation procedures	Principle 3	LABOR/MANAGEMENT RELATIONS	68
LA6 (additional) Percentage of workforce represented in health and safety committees	Principle 1	OCCUPATIONAL HEALTH AND SAFETY	78
LA7 (core) Rates of injury, lost days, absenteeism by region	Principle 1	OCCUPATIONAL HEALTH AND SAFETY	78
LA8 (core) Education policies on serious diseases	Principle 1	OCCUPATIONAL HEALTH AND SAFETY	78
LA9 (additional) Health and safety topics covered with trade unions		As TCS is a service-oriented company, nature of its operations doesn't support this.	
LA10 (core) Hours of training per year per employee		TRAINING AND EDUCATION	82
LA11 (additional) Skills management / lifelong learning initiatives		TRAINING AND EDUCATION	82
LA12 (additional) Percentage of employees receiving performance / career development review		TRAINING AND EDUCATION	82
LA13 (core) Composition of governance bodies and employees by gender, age, other indicators of diversity	Principle 6	Employee Engagement	71
LA14 (core) Remuneration according to gender**	Principle 6	DIVERSITY AND EQUAL OPPORTUNITY	85

** The ratio of basic salary of men to women is 1

Social Performance – Human Rights

HR1 (core) Human rights screening of significant investments	Principles 1 - 6	None	
HR2 (core) Percentage of suppliers assessed for human rights screening	Principles 1 - 6	Supplier	87
HR3 (additional) Employee training on human rights	Principles 1 - 6	FY 2007-08 TCS has invested 13,396 man days effort	

HR4 (core) Incidents of discrimination	Principles 1 & 6	No incidents of Discrimination have been reported in FY 2007/08
HR5 (core) Violations of freedom / collective bargaining		None
HR6 (core) Child Labour incidents	Principles 1, 2 & 5	As TCS is a service-oriented company, no operations exist with risk for incidents of child labour. See Employee Rights
HR7 (core) Forced Labour incidents	Principles 1, 2 & 4	As TCS is a service-oriented company, no operations exist with risk for incidents of forced or compulsory labour.
HR8 (additional) Percentage security personnel trained in human rights	Principles 1 & 2	Training to Employees and Support Groups 90
HR9 (additional) Incidents – rights of indigenous people		None

Social Performance – Society

SO1 (core) Community impact policy and procedures		CS Strategy and Management Approach 91
SO2 (core) Bribery and corruption mechanisms	Principle 10	All employees, however, are expected to adhere to the Tata Code of Conduct (http://www.tcs.com/SiteCollection/Documents/About%20TCS/TCS_Associates_Code.pdf).
SO3 (core) Percentage of employees trained in anticorruption mechanisms	Principle 10	All employees are trained to abide by the Tata Code of Conduct (http://www.tcs.com/SiteCollection/Documents/About%20TCS/TCS_Associates_Code.pdf)
SO4 (core) Action against incidences of corruption	Principle 10	No incidents of corruption were reported in FY 2007-08.
SO5 (core) Participation in public policy / lobbying		Public Policy Participation 96
SO6 (additional) Amount contributed to parties		Public Policy Participation
SO7 (additional) Legal actions on competition issues		None
SO8 (core) Fines for noncompliance with laws and regulations		None

Social Performance – Product

PR1 (core) Health & safety impact assessment		As TCS is a service-oriented company, nature of its operations doesn't support this.
PR2 (additional) Incidents of noncompliance		As TCS is a service-oriented company, nature of its operations doesn't support this.
PR3 (core) Product / service information and labelling		As TCS is a service-oriented company, nature of its operations doesn't support this.
PR4 (additional) Information and labelling non-compliance		As TCS is a service-oriented company, nature of its operations doesn't support this.
PR5 (additional) Policy and compliance for customer satisfaction		Customer Satisfaction and Dissatisfaction 113
PR6 (core) Procedures for advertising and promotion		Marketing Communications 119
PR7 (additional) Advertising and promotion non-compliance		None
PR8 (additional) Number of substantiated complaints relating to breaches of customer privacy regulations	Principle 1	Customer Satisfaction and Dissatisfaction 113
PR9 (core) Value of fines relating to breaches of customer privacy regulations		None

Contact information

Corporate Headquarters

TCS House
Raveline Street
Fort, Mumbai 400 001
Maharashtra, India
Phone: +91-22-6778 9999
Fax: +91-22-6778 9000

TCS on the Web

Visit TCS online at
<http://www.tcs.com> for more information about TCS.

The 2007/08 Annual Report is available at
http://www.tcs.com/investors/Documents/Annual%20Reports/TCS_Annual_Report_2007_2008.pdf

The Tata Code of Conduct for Associates can be found at
http://www.tcs.com/SiteCollectionDocuments/About%20TCS/TCS_CodeofConduct2008.pdf

The Tata Code of Conduct for non-Executive Directors can be found at
http://www.tcs.com/about/corp_responsibility/codes_conduct/Pages/default.aspx

Corporate ombudspersons

Pankaj Baliga
Vice President & Head - Global CS
pankaj.baliga@tcs.com

Sudeep Kunnumal
Head, Human Resources, Europe
k.sudeep@tcs.com

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