



December 31, 2009

**Ratan N Tata**  
Chairman

Dear Colleague,

As the New Year dawns on us, I hope it brings you and your family great happiness and a fulfillment of all you set out to do. My best wishes go out to you and your family for a happy and prosperous New Year.

As we look back on the year just ending, we will all agree that it has been a year of great change and unbelievable challenge. The global financial crisis has resulted in unimaginable changes in the banking system and in the corporate world. Trillions of dollars have been invested by governments to save banks and financial institutions from collapse, businesses have been devastated by the absence of credit, and global mega corporations have collapsed due to significant decline in global demand. The world of industry, banking and commerce looks very different today than it did at the start of the year.

The good news is that there are signs that the worst is behind us. Throughout the crisis, most of Asia has continued to show economic growth, with China and India leading the way. The U.S. economy is showing clear signs of a recovery, and Western Europe's economic downturn seems to have bottomed out. The U.K. and Russia however still bear the burden of economies in recession.

India's banking system was not impacted by the crisis in the West, and while India suffered from a drop in demand from its overseas markets and while the withdrawal of funds by foreign investors badly impacted our stock market, the fundamentals of our economy remained strong and robust, insulating us from the economic devastation which afflicted many nations. Domestic demand remained strong. Once credit was made available to the market and the Government committed itself to major infrastructure projects, investment levels and demand for industrial goods and services rose sharply.

Most Tata companies were able to sustain or even improve their businesses throughout this crisis. Many of them have been able to take substantial costs out of their businesses and these enterprises will emerge stronger and more competitive than before. Some of our newer enterprises have performed admirably during this difficult period which is a great credit to them. I am also

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pleased that our Telecom enterprises have made significant strides in the market and set new growth records with the DOCOMO brand. We can hopefully look towards an exciting future in this high growth sector.

Tata Steel and Tata Motors were, without doubt, two of our major companies that were seriously impacted by the global crisis, mainly because of their large acquisitions in the U.K., and followed by the economic downturn in U.K., Europe and the U.S. Once again, we should all be proud of the spirit and the determination of the teams in both these companies to successfully overcome their problems. They are both now on a path to emerge as stronger companies when the Western economies recover.

All of you should be immensely satisfied by your success in “weathering the storm” of the past twelve months. As always, your spirit and dedication have been extraordinary. This has always been our greatest asset. Looking ahead, we need to continue our efforts to reduce costs and improve our margins, improve our product offerings, and improve our customer relations and support. Let us continue our efforts to lead with the same zeal and to be able to turn to our critics who questioned whether we could make it through the crisis and say “YES - WE DID”.

Let me end by expressing my personal thanks to you for your commitment and for the support you have given us at all times.

With my best wishes once again to you and your family for the New Year,

Yours sincerely,

  
Ratan N. Tata