



December 31, 2015

**Cyrus P Mistry**  
Chairman

Dear Colleague,

As 2016 dawns, I would like to wish you and your family the very best in the coming year. I hope and pray for your good health and happiness.

The year gone by reflected many elements of the uncertainty and volatility we have come to expect in the geopolitical and economic situation across the world. In this environment, I have nothing but admiration for the manner in which our group companies are navigating towards our goal of sustainable, profitable growth.

The major impact of China's rebalancing of its economy is being felt in many countries, and Tata companies are adapting to the situation decisively and with empathy; and while trade flows have been distorted as a result of China's transition, within China itself the shift to domestic consumption can open new horizons for our companies. Similarly, the signals of a recovery in the United States economy portend new possibilities, as do growth-oriented factors in India and across Asia and Africa. The year ahead will both test the group's resilience and also present new paths to expand and seed new businesses.

To enhance and secure leadership in such an environment, we will have to become ever more agile both at a strategic and an organisational level. As I said at the last Annual Group Leadership Conference (AGLC), we need to identify opportunities with a sense of urgency. These will then need to be converted by unleashing pioneering entrepreneurship; we have a rich legacy of demonstrating this throughout our history, supported by leaders who foster experimentation and accept risks in the pursuit of new paths.

Page 1/4

**TATA SONS LIMITED**

Bombay House 24 Homi Mody Street Mumbai 400 001  
Tel 91 22 6665 8282 Fax 91 22 6665 7559 e-mail [chairman@tata.com](mailto:chairman@tata.com)  
website [www.tata.com](http://www.tata.com) CIN U99999MH1917PLC000478



We are backing many real opportunities we have already identified with significant investments. The \$35 billion capital investment programme outlined two years earlier is now substantially deployed. A number of important projects have been executed or are in the process of being launched. These include: the Kalinganagar plant of Tata Steel, which was recently dedicated to the Indian state of Odisha; Jaguar Land Rover's launch of the Jaguar XE and the Land Rover Discovery Sport; Tata Motors' unveiling of the new Tata Zica; the development of Ignio, the world's first neural automation system for the enterprise, by Tata Consultancy Services; the aerospace partnerships of Tata Advanced Systems with global majors like Boeing, Airbus, RUAG Aviation, Pilatus and Cobham; and the new digital ventures that were announced at the AGLC, namely the omni-channel market place, the digital health and wellness platform, and the "big data" initiative.

In continuing to seize business opportunities, Tata companies will have to stay on top of emerging technologies, particularly in the digital space. They will have to network more closely, blurring, in the process, the boundaries between departments, verticals and businesses. The group technology platforms, across areas such as energy, food and wellness, digital consumer products and services, and digital factory and fleets, offer good examples of how we can come together to collaborate for mutual benefit.

In this openness to trying new routes, there is a seamless continuity from the past into the future. We are able to aim high because of the remarkable platform and capabilities that Mr. Ratan N. Tata developed within our organisation. If we can now aspire to be a successful global enterprise with the community at its heart, it is because Mr Tata had foreseen the need and encouraged our companies to go global, and showed us that there was much to be gained when we dared and tried.

Indeed, as a result of Mr Tata's inspiration and the resolve and dedication of Tata people and Tata companies, our brand equity continues to be enhanced. The recent Interbrand study of the best Indian brands has once again rated Tata as India's No 1 brand. Similarly, the most recent Brand Finance report places Tata among the world's 100 most valuable brands.

**TATA SONS LIMITED**



The enhancement of our brand equity is significantly a measure of our steadfast adherence to the values enshrined in the Tata Code of Conduct. The Code has been refreshed during this past year and the process of cascading it amongst all our colleagues offers us the opportunity to rededicate ourselves to the highest standards of corporate governance and ethical conduct.

The standing of our brand is also a reflection of the way in which, led by the renamed Tata Business Excellence Group, we continue to leverage the Tata Business Excellence Model, a methodology that has made it possible for Tata companies to achieve and sustain global benchmark levels in business performance. The model continues to throw up unique insights for our businesses, including the need to raise the bar on safety performance, and to focus on the quality of strategy through better understanding of corporate foresight, risk management and competitive intelligence.

A critical aspect of business excellence is intimately linked with the issue of sustainability. The year 2015 drew to a close with the world witnessing national governments reaching agreement in Paris on the steps that need to be taken to address climate change. This issue requires all countries to collaborate, if we are to ensure that the greenhouse gas carrying capacity of the earth is not breached in a manner that creates unsustainable temperature rise.

Extreme weather changes are already significantly affecting normal life and increasing business risks manifold. We witnessed this most recently in places like Chennai in India and Cumbria in the United Kingdom. We in industry will need to support the actions committed to in Paris by governments from across the world, by making our operations and offerings more environment-friendly, and by encouraging sustainable consumption within the communities we serve.

At Tata, we take this responsibility very seriously. Our Founder, Jamsetji Tata, firmly believed that 'The community is not just another stakeholder in business, but is in fact the very purpose of its existence', and our group's Mission commits us to 'improve the quality of life of the communities we serve globally through long-term stakeholder value creation based on Leadership with Trust.'

**TATA SONS LIMITED**

Bombay House 24 Homi Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 8030

website [www.tata.com](http://www.tata.com) CIN U99999MH1917PLC000478



Indeed, the Sustainability Policy we adopted in June, during the Tata Sustainability Month, commits every Tata company to “integrate environmental, social and ethical principles into its business”. With the support of our sustainability practitioners and more environmentally conscious leaders, assisted in turn by the more than 680 Climate and Water Champions we have already trained, and through appropriate deployment of technology and innovation, I am confident that our companies will become partners of choice for customers and communities across the world.

In the context of new challenges like the changing climate, we have to work ever more intensively to develop a deep understanding of the needs of the customers and the communities we serve. Only then will we deliver pioneering products and services and delight our customers and communities with the experiences we offer them.

Our progress may face short-term obstacles. But I have seen that, as a family, we have always overcome difficulties to stay the course for long-term stakeholder value creation. I thank you, dear colleague, for making this possible through your endeavour and commitment to the sustainable, profitable growth of our organisation.

Once again, I wish you and your family all the very best in the New Year and beyond.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C.P. Mistry', with a horizontal line underneath.

Cyrus P Mistry