

## Press Release

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### **Federal Court Denies Effort By Tata America International To Dismiss Class Action Lawsuit Against Tata For Requiring Workers to Hand Over Federal and State Tax Refunds**

San Francisco, Ca, March 14, 2007 - Class counsel announced that District Court Judge Vaughn Walker yesterday denied the motion of Tata America International Corporation and its parent corporations Tata Consultancy Services, Ltd., and Tata Sons, Ltd. (collectively referred to as "Tata") to compel arbitration in India and dismiss the nationwide class action lawsuit in United States court. The complaint, brought in Federal court in San Francisco by Gopi Vedachalam, an employee of Tata America International Corporation, alleges Tata unjustly enriched itself by requiring all of its non-U.S.-citizen employees to endorse and sign over their federal and state tax refund checks to Tata.

"Judge Walker upheld the principle that before a company can force an employee working in the United States to give up the right to have his or her claims heard in a United States court, it must show that both the company and the employee clearly and mutually agreed that these claims would be heard elsewhere," stated Steven M. Tindall of Rukin Hyland Doria & Tindall, co-class counsel for plaintiffs. "The Court found that the documents purportedly requiring arbitration in India applied one set of rules to Mr. Vedachalam and another set to Tata, negating any mutual agreement to arbitrate legal disputes."

"The Court's order ensures that Mr. Vedachalam will have his day in court in the United States before a neutral judge, not in India in front of a private arbitrator of Tata's choosing," explained Kelly M. Dermody of Lief Cabraser Heimann & Bernstein, LLP, also co-class counsel for plaintiffs. "Mr. Vedachalam and the thousands of workers he seeks to represent are an important step closer to obtaining justice."

The complaint alleges further that, at least until July 2005, Tata required its non-U.S.-citizen employees to sign power of attorney agreements delegating an outside agency to calculate and submit each employee's tax return to state and federal authorities. Tata then required its non-U.S.-citizen employees who received tax refunds from state and federal tax authorities to endorse the tax refund checks and send them back to Tata.

Under California Labor Code Section 221, it is unlawful "for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." The complaint charges that Tata's conduct violates this Code section as well as the common law forbidding unjust enrichment and conversion.

From 2000 to 2003, plaintiff Gopi Vedachalam worked in Hayward, California, as a Tata project manager assigned to Target. Since 2003, he has worked as a Tata project manager for 21st Century Insurance in Woodland Hills, California.

One of India's largest business conglomerates, Tata's revenues in the last fiscal year totaled nearly \$22 billion. The proposed class consists of thousands of current non-U.S. citizen employees of Tata working in the United States, plus former Tata employees dating back to 2000. Mr. Vedachalam seeks compensation and damages for current and former employees who were not paid what they were promised and who were deprived of their tax refunds.