



“Ashok Leyland Limited”

Annual General Meeting

July 21, 2023

Management:

Mr. Dheeraj G. Hinduja, Executive Chairman
Prof. Dr. Andreas H. Biagosch, Independent Director
Mr. Jean Brunol, Independent Director
Mr. Jose Maria Alapont, Independent Director
Mr. Saugata Gupta, Independent Director
Dr. C. B. Rao, Non-Executive Director
Mr. Shom Hinduja, Non-Executive Director
Mr. Shenu Agarwal, Managing Director and Chief Executive Officer
Mr. Gopal Mahadevan, Whole-Time Director and Chief Financial Officer
Ms. Manisha Girotra, Chairperson of the Nomination and Remuneration Committee
Mr. N. Ramanathan, Company Secretary



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Moderator: Dear Shareholders, Good Afternoon and a warm welcome to you all to the seventy fourth Annual General Meeting of Ashok Leyland Limited held through video conferencing. For the smooth conduct of the Meeting, the video/audio of all the Members will be on mute. The audio and video will be allowed only to those Members who have pre-registered themselves as Speakers. Please note that the Speaker shareholders would not be able to view the presentation slides to be made during the Meeting. Please note that, as per the requirements, the proceedings of the Annual General Meeting will be recorded and be hosted on the website of the Company. I now hand over the proceedings to Mr. Dheeraj G Hinduja, Executive Chairman of Ashok Leyland Limited.

Dheeraj G. Hinduja: Good afternoon everyone.

I have pleasure in welcoming the shareholders, representatives of Hinduja Automotive, financial institutions, banks, foreign institutional investors, mutual funds and insurance companies to the 74th Annual General Meeting of Ashok Leyland Limited. It is now the appointed time for the meeting. I was looking forward to meet you in person, hopefully we will be able to meet physically at the next opportunity.

The Annual General Meeting for the financial year 2023 is held through video conferencing in compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. The Company has taken all the steps to ensure that the shareholders are provided an opportunity to participate in the annual general meeting and vote electronically.

Live broadcast of the proceedings of this meeting is provided. Participation of shareholders through video conferencing is reckoned for the purposes of quorum as per the circulars issued by the Ministry of Corporate Affairs and Section 103 of the Companies Act 2013. The requisite quorum being present, I formally declare the meeting open.

I would like to introduce you to the members of our Board. Mr. Sanjay Asher - Chairman of the Audit Committee and Stakeholders' Relationship Committee. Ms. Manisha Girotra - Chairperson of the Nomination and Remuneration Committee. Professor Dr. Andreas Biagosch; Mr. Jean Brunol; Mr. Jose Maria Alapont; Mr. Saugata Gupta; Dr. C. B. Rao; Mr Shom Ashok Hinduja, Mr Shenu Agarwal, Managing Director & CEO, Mr. Gopal Mahadevan – Wholetime Director and & Chief Financial Officer; Mr. Ramanathan - Company Secretary.

The representatives of the statutory auditors and the secretarial auditors of the Company are also present at this meeting from their respective locations. The register of directors and key managerial personnel and their shareholding, register of members, register of contracts of arrangements in which directors are interested and the certificate from the secretarial auditors in accordance with the Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 relating to the employee stock option scheme are available for inspection by the Members electronically if they so desire.



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As the meeting is being held through video conferencing, the facility for appointment of proxies by the Members was not applicable and hence the inspection of the proxy register is not available. In compliance with the circular issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India the notice dated May 23, 2023, convening this annual general meeting and the copy of the annual report and the audited financial statements of the Company for the financial year ended March 31, 2023 has been circulated on June 28, 2023 through electronic mode to the members of the Company and with your permission, I shall take them as read.

As you would have noted, your Company has achieved excellent results last year. I would like to, on your behalf, congratulate and thank each member of the Ashok Leyland team and the company's wider ecosystem for their conscientious efforts to make it possible.

Reflecting on our endeavour last year, our journey has not been an easy one. There was volatility in commodity prices, the commercial vehicle industry had slowed down in the latter part of FY22 and well into the initial period of FY23. In this scenario, which had an impact on our market share and profitability, Ashok Leyland team quickly rejigged its product-market efforts, revamped the customer orientation and achieved the challenging targets that were set. The market from the second half of the year buoyed up and the key success factors were superior product performance, significant cost reduction and above all the “can do – will do” attitude of the Ashok Leyland team.

Enumerating the performance highlights briefly,

We sold 114,247 Medium and Heavy commercial vehicles in the domestic market comprising 10,767 buses and 103,480 trucks including Defence vehicles, registering a growth of 75.5% and posting a market share increase of approximately 5% over the previous year. We have gained share in every region and in almost all the product sub- segments.

In the Light vehicle segment, with sales of 66,669 vehicles, the growth was 27.7% over the previous year. The Bada Dost range posted its highest ever sales volume since introduction and coveted a few awards.

Despite difficult market situation in target countries which faced issues of currency depreciation and forex availability, International Operations could achieve a growth of 2% year over year.

Power Solutions and Aftermarket businesses had clocked a growth of 9% and 31% respectively.

The Operations team kept pace with the highest ever monthly vehicles production along with the highest ever material cost savings.

All these helped your Company achieve an all-time high revenue of Rs 36,144 Crores with a 67% growth over previous year along with nearly 3 times growth in EBITDA – from Rs 995



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Crores in FY22 to Rs 2,931 Crores, operating profit grew by 120 times and a cash surplus of ₹ 243 Crores at the end of FY23.

On the product and technology front, we are making good progress in alternate propulsion development. At the Auto Expo held in Delhi in January this year, a wide range of alternate fuel driven products were displayed across our LCV, ICV and MDV platforms. This covered CNG, LNG, Hydrogen, Fuel Cell and Battery Electric options. Switch Mobility, through which we are positioning the electric vehicles, has gained considerable momentum and has already made a mark in the industry. The electric LCV is slated for introduction later this year.

Recognising the importance of building a talent pipeline in an environment of homogenous culture, our HR team was on an overdrive launching several initiatives and cascading them across the board. Another significant milestone in our gender diversity pathway is the establishing of an all women-run engine assembly line in our Hosur plant.

Regarding some of the key initiatives in other areas, our plants have won 13 CII-Environment, Health, and Safety Excellence Awards. Renewable energy now constitutes 57% of our total requirement. And as part of a holistic approach to sustainability, your Company has developed an ESG vision: “To create and lead sustainable practices, across Environment, Social and Governance initiatives, delivering outstanding stakeholder value.” This vision has been further operationalized into 10 Focus areas deep diving individually in E, S, and G areas. Moving forward, your Company is also preparing for some major commitments around becoming carbon-neutral in its operations in the medium term and becoming Net Zero in the long term.

Under CSR, our Road To School programme (RTS) is making strides and the coverage has increased from 98,000 to over 150,000 children. During the year, the RTS initiative has been extended to J&K and Assam and is gaining ground gradually. RTS has also received awards from the Tamil Nadu Government, ASSOCHAM, FICCI and SIAM. The Road to Livelihood programme, which was introduced this year for Classes 9-12 has been well received by parents and the community. Your Company is determined to expand this further, not just impacting a greater number of students but also widening its reach to many more states.

You may recall we had a tagline Aap Ki Jeet Hamari Jeet for about 10 years. It symbolized a mission and a role for us as relevant then. With the changed business dynamics and our heightened self-belief together with our aspirational vision, Ashok Leyland management felt that the tag line needs to be renewed and be reflective of our current outlook.

Also, this is our 75th year Anniversary and an occasion befitting a suitable tagline that galvanises the organisation towards a limitless horizon. On that basis, Koi Manzil Door Nahin (No Dream too far) has been chosen, which will guide and power all our strategies and actions from now on.



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Moving on, it is reasonably expected that in FY24, the demand is expected to exceed pre-COVID levels of 2018-19. Government infrastructure spending, strong replacement demand and a healthy traction from core industries like steel, cement and mining are expected to drive growth. You will be pleased to note that your Company is fully prepared to take advantage of the anticipated opportunities without compromising on market share and profitability targets.

As we progress towards achieving our aspirations, I would like to gratefully acknowledge your continued trust and faith in us and would like to assure you of progressive growth in shareholder value year after year.

I would like to thank your Company's extended family of dealers, suppliers, banks, financial institutions, investors, strategic partners and customers for their continuing faith in us. I am thankful to the various Central and State Government agencies that have been supportive of your Company.

Now I would request Mr Shenu Agarwal to make an audio-visual presentation.

Shenu Agarwal:

Good afternoon everyone and welcome to Ashok Leyland's 74th Annual General Meeting. This is a very special year for all of us as we celebrate 75 successful years of our company. This would not have been possible without the faith and trust you have poised in Ashok Leyland.

The reason of our existence is to Transform lives and businesses through leadership in mobility. We remain committed to our Purpose and we shall continue to drive it with all the rigor and passion. Our Values of Agility, Customer Centricity, Partnership, Innovation and Trust serve as guiding beacons for us.

As per latest rankings published by IHS Markit, UK, Ashok Leyland is now among the Top 20 global CV players, within its addressable product segments. We assure you that we would diligently work to march towards our vision of becoming Top 10 Global CV Players.

We see major macro tailwinds driving the CV market in India. India's GDP touched 3.5 trillion dollars last year and is expected to reach 5 trillion dollars by year 2030. CV industry in India is getting benefitted from this overall economic development and will continue to do so. Whether it is country's infrastructure spending, or PM Gatishakti policy, or it is the Scrappage policy or National Logistics Policy, we think much better times are ahead for CV industry in India.

FY23 has been a remarkable year for us in many ways.

Our MHCV business grew by 78%, much ahead of the industry growth of 48%. This was primarily because of superior performance of our new product portfolio and our efforts on network expansion to reach closer to our customers.



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The performance was truly wholesome - where we could grow our market share in all zones and all product segments. Our market share grew by 5% over the previous year and stood at 30.4% in FY23.

Our MHCV spare parts business also grew by 31% in volume last year, thereby achieving an important milestone of Rs 2,000 Cr. Our parts availability stood at 96% and we were able to increase our reach to more than 600 Exclusive Retail Parts Stores.

In LCV business we grew our volumes by 25% in FY23 over the previous year. We recorded our highest ever annual volume in LCV business at approximately 67,000 vehicles.

Our IO volume grew marginally by 2.5% in FY23 over the last year. It is important to note that Ashok Leyland was the only CV exporter from India to be able to increase its exports volume in FY23 owing to very tough conditions in some of the overseas markets.

Our Defence revenues in FY23 dropped by 22.2% to Rs 337 Cr. However, as defence demand is building up again, our order book is much stronger now. We expect a strong revival of our Defence business in FY24.

Our Power Solutions Business volume grew by 9.5% to reach 22,925 units. The revenue grew even sharper by 25.8% to reach Rs 639 Cr.

All across the range, we launched several new products in FY23. Our future product pipeline remains strong and will help us in gaining market share both in domestic and IO markets in the times to come.

Demonstrating our commitment to a greener future, we continued to invest and promote our EV bus and LCV business through our subsidiary company, Switch Mobility. We are very optimistic of EV penetration in LCV as well as MHCV segments and accordingly we are preparing for a series of launches in the next few quarters.

Industry first has always been the DNA of Ashok Leyland. We showcased our full range of Alternate Fuel vehicles at the Auto Expo 2023 – be it Hydrogen ICE, Battery Electric, Fuel Cell, LNG or CNG. The fact that all these vehicles were in drivable condition speaks of our technological leadership. The development of all these vehicles is in advanced stage. We are confident that we will deliver world class products that are sustainable and future forward.

FY23 was also significant from the Operations point of view. We did our second highest annual production volume of 1.95 lakh vehicles, simultaneously bringing in lot of efficiency in our manufacturing and sourcing operations. Going forward we shall focus much more on fully built solutions.



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We launched a series of digital applications keeping customer centricity as one of our core values in mind. These included Elite - a customer loyalty program for top 200 fleet owners, iAlert - a telematics suite with a growing base of 1.6 lacs vehicles, ALCARE - for service requirements which has garnered 1.9 lakh registered users so far, LEYKART - an e-market place for spare parts, and Re-AL - a platform to facilitate buying or selling of used vehicles,

As we plan to enter into our 75th year, we adopted a new brand line “Koi manzil Door Nahin” that helps us further expand our horizons, and powers us to gun for even larger objectives.

On ESG, we had good progress in our renewable footprint which stood at 57% at end of FY23. We were also net water positive this year.

Our road to school program reached new heights where we expanded to 5 states and covered 150,000+ students. Also taking a leap forward, we are preparing ourselves to be Zero @ 100 - that is, targeting to achieve Net Zero status by the time Ashok Leyland turns 100.

Promoting Diversity, Equity and Inclusion within Ashok Leyland ecosystem remains our utmost focus. In FY23, we launched 3 flexi policies for women employees; 20 international GETs joined us from multiple nationalities; we had 43% gender diversity in our GET hiring this year; and very proudly we started a new all-women managed assembly line in our Hosur factory. We also take pride that we sponsored the Mumbai Indians women’s team in IPL 2023.

Turning now to financial performance, our revenue last year grew by 67% from 21,688 Cr. to 36,144 Cr.; EBITDA grew by 195% from 995 Cr. to 2931 Cr. and PAT grew by 155% from 542 Cr. to 1380 Cr.

On consolidated basis, the growth story was similar. Revenue grew by 59% from 26,237 Cr. to 41,673 Cr; PBT grew from a negative 200 Cr. to positive 2,269 Cr.; and PAT grew from a negative 285 Cr. to positive 1,362 Cr.

On behalf of the entire leadership team, I want to assure you once again that Ashok Leyland will continue to relentlessly pursue its Purpose and Vision guided by its Core Values. We shall aspire for greater achievements fulfilling the needs of our customers and that of all our stakeholders.

I would also like to thank you once again for your continued trust and faith in us.

Dheeraj G Hinduja:

Thank you Shenu. Before I take up questions and comments from shareholders, Mr. N Ramanathan, Company Secretary will explain the electronic voting process and other matters.

N Ramanathan:

Thank you Chairman. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the (Management and Administration) Rules 2014, the Company had provided remote e-Voting facility to its Members for the businesses proposed in the Annual General Meeting Notice, through National Securities Depository Limited (NSDL) platform. Remote e-voting commenced on Tuesday, July 18, 2023, at 9.00 a.m. IST and ended on



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Thursday, July 20, 2023 at 5.00 p.m. IST. The Company has appointed M/s. B. Chandra & Associates, Practicing Company Secretaries as Scrutinizer for conducting the e-voting process in a fair and transparent manner.

Members participating in this meeting but have not cast their votes through remote e-voting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL. Members can click on “VOTE” tab on the video conference screen to complete the voting.

The Auditors Report on the Standalone and Consolidated Financial Statements and the Secretarial Auditors Report of the Company for the financial year ended March 31, 2023 do not contain any qualification, observations or comments or other remarks on financial transactions that has an adverse effect on the functioning of the Company. Accordingly, the reports are not required to be read out as per the provisions of the Companies Act, 2013. Thank you, Chairman.

Dheeraj G Hinduja:

Thank you Ram. I now invite comments and questions from the speaker shareholders only relating to performance of the Company for the financial year 2022-23.

With a view to afford adequate participation to the other shareholders, I request members who have registered with the Company to be as brief as possible, not to repeat questions and raise questions only pertaining to affairs of the Company.

Moderator:

We will now begin the question and answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. In the interest of time, may I request you to restrict your question or comments to three minutes. Speaker shareholder number one, Prabhavathamma Gundluru and speaker shareholder number two, Reddeppa Gundluru did not join the AGM. I now invite the speaker shareholder number three, Kankanala Bharat Raj. Please accept the prompt on your screen and proceed with your question. Please un-mute your audio and video from your device and proceed with your question.

Bharat Raj:

Hello. Yes, sir. Madam. Hello. Yes, very good morning Chairman sir. I am Bharat Raj calling from Hyderabad. Sir, first of all, I am with whole hearted. I congratulate the management Ashok Leyland for completing 75 years Platinum Jubilee year. I warm welcome everybody my Chairman, entire Board of Directors for making this Ashok Leyland legacy continuing, sir. Under the leadership of our Dheeraj Chairman, you turned our my company into a profit making company. This credit goes only to my Chairman and entire Board of Directors and team. Sir, I am thanking you for giving me a wonderful dividend. And very good CSR program. Sir, in these 75 years, I have no need to ask any questions. Because you have turned my company into the next level.

In this special occasion, please take care of the shareholders for the good hospitality. Arrange sweet box to our shareholders, sir. Dry food sweet box to our speaker shareholders present in



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this year, sir. We want to celebrate our Platinum Jubilee, sir. One more request is, please arrange a planned visit to the speaker shareholders who came here. That is my second request, sir.

And one more, and third thing, sir, only one question is that, in market, a lot of companies are aggressively EV. EV vehicles and trucks and everything. So what is the future plans for the EV, sir? Please let me know, sir, how you, what is your roadmap? How you want to face the challenges in the present Indian market? Recently, one company, we are assembling the buses from the China company. They have taken INR10,000 crores contract from the Maharashtra government. But we are the manufacturing of the vehicles, but we are not so aggressive. Please look into this issue. Please come with a very good roadmap.

The future is green energy. So please let me know, what is the future plan. Once again Mr. Chairman, my best wishes to you. I thank my company secretary sir, Mr. N Ramanathan. In time, he sent me the annual report. He called me and he tell me the, what is the, my speaker number. Thank you Mr. N Ramanathan, my best wishes to you. Entire Board of Directors, be safe, be healthy. God bless you. Thank you very much.

Dheeraj G Hinduja:

Thank you.

Moderator:

Thank you very much. I now invite speaker shareholder number four, Ms. Lily Pradhan, please accept the prompt on your screen and proceed with your question. Please go ahead with your question.

Lily Pradhan:

Okay. Very good afternoon. Respected all Chairpersons and all viewers. Myself Lily Pradhan from Kolkata. This is the Platinum Jubilee years. Very happy news. I am very happy to know that the company's performance is developing a lot, which is sustainable growth in a nowadays, after COVID-19 pandemic situation. But I have some specific question and request in present situation. What is the aim and object of future development in all over countries, especially all over world like as international level? What is the CSR activities on challenging person? Please micro-analysis of CSR activities. Must be micro-submitted, must be submitted micro-analytic audit of cash flow management.

Bifurcated analysis, top line and bottom line growth. Please consider plant visit and also rewards, special this year. All shareholders, especially speakers, please always support women empowerment. Please, there must be continued hybrid or VC in future. Abroad persons can participate and also express their views easily. Nothing more. Thank you. Thank you so much. All the best.

Moderator:

Thank you very much. I now invite speaker shareholder number five, Anil Mehta. Please accept the prompt on your screen and proceed with your question. Mr. Mehta, please turn on your video and proceed with your question.



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Anil Mehta: Hello, sir. My first question is that, what are the company's capex plans and present capacity utilization levels? My second question is that, what is the company doing to improve the shareholder relations? My third question is that, what steps have the Board of Directors taken to monitor the management actions and encourage that shareholder' interests are protected.

And the last question is that, what are the major opportunities and the challenges facing the company? And how does the management plan to respond? With this, I'm concluding my speech. And thank you very much. And thanks to the secretarial department for their cooperation. Thank you very much, sir. While I'm passing all the resolutions, sir. Thank you.

Moderator: Thank you very much. I now invite speaker shareholder number six, Somasundaram Balasubramanian. Please accept the prompt on your screen. Un-mute your audio and video and proceed with your question. Please un-mute your audio and video from your device and proceed with your question.

S Balasubramanian: Hello. Good afternoon. This is Balasubramanian here from Chennai. So, first time, I am attending this AGM of Ashok Leyland and I am feeling very happy to attend this 74th AGM and I find lot of growth in the revenue. And I have recently heard INR400 crores worth of vehicle order for the defense. It's very good news to hear about this thing. And as the participant number three, I asked about this electrical vehicle. I would like to know more about the EU and if plant visit is allowed for the shareholder, I would like to have a visit of Hosur or any big plant. That is all. Thank you.

Moderator: Thank you very much. Speaker shareholder number seven, Rishikesh Chopra did not join the AGM. I now invite the speaker shareholder number eight, Kamal Kishore Jhavar. Please accept the prompt on your screen, un-mute your audio and video from your device and proceed with your question. Mr. Jhavar, please un-mute your audio and video from your device and proceed with your question. Ladies and gentlemen, please wait while we connect the speaker shareholder. It looks like the speaker shareholder number has disconnected. I now invite the speaker shareholder number 10, Mr. Suresh Chand Jain. Please accept the prompt on your screen and proceed with your question. Mr. Jain, please un-mute your audio and proceed with your question.

Suresh Jain: Hello. Respected Chairman sir, Respected Director and all the fellow shareholders, Sir, I am Suresh Chand Jain from Hyderabad. In the Chairman speech, you presented the company's image in a very simple and straightforward manner. I thank you and your team for that. In South India, the CSR that you give, in the form of donation.

In Hyderabad, there is a process, they take out all the license and keep it and go to the company and say, sir, give us this type for donation. The people, they are fraud. They went to a company and sent a company secretary and a CFO to check the office. When they went there, there was nothing there. There was just a board and there were licenses. And we went there and checked. Then we came to the company and told them, Chairman sir, there is nothing of this kind there.



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Go and find out in the bank. So we went to the bank and found out that, these people are bogus, from company to bank account, please check it.

So the bank said, that these people are taking cash from the broker, they took the cash and distributed it among themselves. The world's fight started in the bank. So, they were removed from there. Then I went to the Chairman and told him that, the man is sick and he is being charged INR8 lakhs- INR10 lakhs. Go and inquire in the hospital. So, I went to the hospital and found out that, the man had passed away 8 days- 10 days ago. Still, they are collecting money.

So, sir, in CSR, you work with your own hands, at least you people and the Ashok Leyland family will get some benefit. Because you are doing a very good job, we have complete approval for it, we are passing the regulations in this. Sir, I will do this further. Sir, you take the sitting fees and you tell the expenses of others. I have heard every year that, you pass the sweets boxes. At least the speaker, the shareholders, who are attending, at least send him to the box of dry fruits. Sir, with this, I give rest to my thoughts. And sir, the destination is not far to move ahead. When Ashok family is connected to it, your win our win, with this thinking, I close my thought. Thank you for giving me the opportunity to speak.

Moderator:

Thank you very much. Request to all speaker shareholders, in the interest of time, may I request you to restrict to question or comments to three minutes. I now invite speaker shareholder number 11, Srikanth Jhavar. Please accept the prompt on your screen and proceed with your question.

Srikanth Jhavar:

Respected Chairman and thanks to all Board of Directors. Thanks for giving me opportunity to speak. I am attending the first time video conference meeting from Hyderabad. First question is, first shareholder said, Maharashtra government given order of INR10,000 crores was received by one company.

What is the plan of our company,? In future, how the buses will be constructed? I wanted to know the information. Because the demand for electric vehicles is very high. And also, sir, like Mahindra company has launched many new vehicles in the three-wheeler segment, so please give us some information about your thoughts on that as well.

And also, how will you do something about your service point? If an electric vehicle is being made, then how should we open our service point in all our states, all over India? Because if we get it done outside, there is no guarantee of our vehicle. And if it is done through the company, there is some trust. So, let us know about the service point. Please keep the video conference meeting for same way, in the future. Best wishes for future festivals. Thank you for giving the opportunity to speak.

Dheeraj G Hinduja:

Thank you.



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Moderator: Thank you very much. Speaker shareholder number 12, Vinod Agarwal did not join the AGM. I now invite speaker shareholder number 13, Manoj Kumar Gupta. Please accept the prompt on your screen, un-mute your audio and video from your device and proceed with your question.

Manoj Gupta: Hello, good afternoon respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta, I am equity shareholder of Ashok Leyland Limited. Sir, first of all, I thank to our company's secretary and his team to help us to join this meeting through VC. Sir, I am very happy to hear your inspiring speech. that will boost the investors and the employees that our company will definitely grow in coming time and I pay my tribute to Shri. Hinduja, who has passed away recently in UK. Who was our founder and who was our mentor. So I pray to God to give peace to his soul and give him a place in heaven.

Sir, dividend is good. Sir what is your future plan for electric vehicles? The government ambition is that by 2027, 60% vehicles will run on the road by electric vehicles. So how you are ready in such manner because our beloved Prime Minister and Surface and Transport Minister, Shri. Gadkari, he has a vision to launch in a huge manner electric vehicles to save the petroleum products cost and how you face the challenges in the shortage of semiconductor. So what's your plan in that regard to fulfill your demand in the semi-conductor. We are totally depend on the China and other countries and because every vehicle needs the semi-conductor, so what's your plan in that regards and what's your future plan.

Have you any plan to launch some news a small segment vehicles for the family vehicles like a Mahindra and Mahindra Tata and others. So have you any plan in that regard? Or, sir, try to consider to start a new Greenfield project in this region, eastern part or northeastern part. You have a lot of funds, so you can start a new Greenfield project to increase the, boost the employment because the northeast is growing up after becoming NDA government in that region, so you should consider.

And sir, what impact has come on our company direct or indirect through war between Russia and Ukraine, one year has gone up. So, what impact has done? Inflation has gone up by 30%, every price has gone up, but companies are could not realize this price of the raw material. So how you face the challenge of inflation in that regard? And sir CSR, you are doing a lot of work for the community and society. I suggest you keep it continue in the health and education to boost the moral of the future of the country.

And you can start that, talent people to give a training for their future as a driver, like a defense company are giving training under the CSR banner to the young people for the painting of the house and decorating. So you can also start a CSR project for the, inspire the people to take the training of driving in a separate location for the people can learn driving and drive the car in future to get bread and butter, under the CSR to inspire.

And next year 75th year, how you will celebrate and what is your plan in that regard? So how you will return to the investors? We investors hope that, you will issue the bonus to the



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shareholders on the eve of 75th year and you will send a memento to the shareholders on this occasion, sir. Thank you, sir. Thank you.

Moderator:

Thank you very much. I now invite speaker shareholder number 14, Om Prakash Kejriwal. Please accept the prompt on your screen. Un-mute your audio and video from your device. In the interest of time, may I request you to restrict your question or comments to three minutes. Please un-mute your audio and video from your device and proceed with your question. Please un-mute your audio and proceed with your question.

Om Kejriwal:

Thank you. Good afternoon, sirji. And good afternoon, everybody attending this AGM. Myself Om Prakash Kejriwal, shareholder from Kolkata. Thank you sirji for providing me the platform to speak something before you. Thanks to our secretarial department for listing me as a speaker shareholder. Sirji, this is my first AGM only due to virtual. Though I am your very old shareholder, it is just an opportunity for me to attend this AGM sitting in Kolkata. Please, if possible, please follow this virtual AGM in next year also.

Sir, what a performance, mind-blowing performance. Congratulations to you, to all the Board of Directors and all the employees for such a good result. Beauty of our company on equity of INR293 crores. Our revenue is INR36,144 crores on external basis and net profit is INR1,380 crores. It means, EPS is INR470 more than double from last year and dividend is INR2.60 on face value of INR1, it means 55% distribution of net profit. Very, very good distribution, sirji. Many thanks for the same.

Good days have come, but in consolidated account, our EBS is only INR4.23. Then which subsidiary company is pushing us downward. Please tell me, how many subsidiary companies are in our company. Please issue bonus here, it is overdue sir and our reserve capital is also supporting the same. So, please consider it. In good days, shareholder should be rewarded.

From page 6, from financial year 2018- '19, our revenue has increased from INR29,000 crores to INR36,100 crores. But our employees are, number of employees are decreased from 12,133 to 9,603. It is a very good thing. But how you manage, sir? These are all permanent and contractual both. Are you using artificial intelligence in your factory? Sometimes I came to know that, we are exporting our commercial vehicle to Bangladesh via river route. Are we still using the same route for exporting our vehicle? Please tell something.

Hydrogen fuel, one year - two years back, I had the idea that, there was much energy needed to break water H₂O to get hydrogen gas. But two months back, I came to know from media that, you supplied 50 buses running on hydrogen gas as fuel to Reliance Industries. Is it right, sir? If right, then please explain me. How you've done this because I am a science student, so I have a curiosity to know, the technology.



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Factory visit, sir I am your very old shareholder, so if possible, please organize a factory visit and invite us to see our factory. Thank you, at last sirji, please maintain your smile and be cheerful. We will remain with you as a long-time investor always. Thank you. Thank you, sirji.

Moderator:

Thank you very much. I now invite speaker shareholder number two, Reddeppa Gundluru. Please accept the prompt on your screen, un-mute your audio and video from your device and proceed with your question. Please un-mute your audio and video from your device and proceed with your question.

Reddeppa Gundluru:

Thank you moderator for giving this opportunity. I was the second speaker. There is a technical issue. Thank you, Mr. Chairman, Dheeraj G Hinduja and my MD and CEO, Dynamic Leader Gopalan Mahadevanji and my company's secretary, Ramanathanji and other non-executive Directors, Directors and also scrutinizers and also auditors and my fellow shareholders of this video conference of Ashok. So Namaste, sir, good evening sir. Yes, so my name is Reddeppa Gundluru, I'm from Hyderabad sir, I'm a financial advisor.

First of all, I'm paying homage to Founder Chairman, Hinduja sir, he's a very wonderful visionary man. Thank you sir, we're missing him, sir. As a shareholder, I'm very happy about the company performance of Financial '23. Mr. Chairman, you have given very good, nice information about my company in your speech. Thank you so much. And also wonderful annual report. I have received the colorful and informative annual report. Thank you so much.

Congratulations for the 75 years completing the successful year, with values, ethical, my company. Company means values and ethically are maintaining. And also, the way of the corporate governance, they are showing very wonderful, ethically, good manner, accountability, transparency is there, overall I can say integrity is there. There is a special thanks to my company secretary and all the CFO for making this governance. Sir, financial, wonderful, thanks for the 260% per share dividend and also the all time high revenue generation, consistent growth, sales revenue with a growth 67.5% and PAT also, wonderful, sir.

For corporate loss financial, 154% increase in PAT also, sir. Strong operational performance under leadership of Hinduja Chairman, sir. And also, congratulations for wonderful numbers are posted. Our company CEO team doing consistent financial performance. Quality management with technical movement with growth mindset we have wonderful. I am very proud of you, as a shareholder.

Awards point of you, congrats to many awards to achievements our plants, especially 13 CIS environment awards, health awards and safety excellence awards are wonderful. Congrats and keep it up. Sir, no need to ask any questions in CSR, sir. You are doing to society many more wonderful support to the tremendous to the ladies and supporting the women and also the girls side education also. Thank you so much, We felt very happy.



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Mr. Chairman, I have a few observation questions, sir. We have reached a very good milestones. Even though in this couple of years, what is your mission and vision, sir? I would like to know from you. I'm good to see, happy to see this other income, the increased income, very wonderful, more than 52% we received. Sir, I would like to know, where is the income is coming from other income.

And also sir, what is the impact this the geopolitical impact our company and sales. These are my three observation my company are there is more, no more questions are wonderful performance giving as I'm as a financial advisor, I'm advising last year and a couple of years also, to invest in this company So all my client customers are happy. Their returns are very good, 100% returns.

So, I am very much thankful to my company of hard worker key persons. So, I have supported all the regulations and the E-voted also. I would like to thank my company secretary N. Ramanathan and his team for wonderful services. Especially Seshadri sir. I would like to thank my company secretary.

When I am going to speak with the company secretary, I feel I am speaking with the Chairman. Right off of the governance, the humility, they are following. And also wonderful shareholder english, one of the shareholder is asking, what is the improvement of the shares. I am feeling, it is a wonderful shareholder relation, company maintaining.. Thank you so much for giving this opportunity Mr. Chairman. I personally believe that, in coming financial year, we have faith on you, trust on you, under your leadership, we will achieve many more higher awards, higher revenues, higher growth, wonderful milestones.

Thank you so much for giving this opportunity. I am a proud shareholder, proud investor, proud financial advisor. Thank you from Hyderabad. And also, thank you. And also, final comment, sir. Don't allow to comment out of the box in the AGM. Why? Because the legends of them, Chairman and all the Hinduja group is seeing them, some shareholders are speaking out of the box. It is creating some nonsense out there. So, please try to control this useless thing, sir. This is my personal opinion. Thank you so much.

Moderator:

Thank you very much. I now invite speaker shareholder number 8 Kamal Kishore Jhawar.

Kamal Kishore Jhawar:

Hello, can you hear me sir? Thank you, Chairman sir, all Directors, greetings to you all. Greetings to our Hinduja sir. We have met your brother Sanjay sir. Video conference keep it this way, it's very good every year. Chairman, you have told us a lot of things. Sir, there is a lot of problem of big trust in big cities, village So, if you do our marketing in 2 tier cities then your sales will be better than other companies, this is main marketing. If you want to go to the city, there is a big problem. So, pay attention to this, Do so much marketing that you will see Ashok Leyland vehicle everywhere. So, take care of this.



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And sir, as you told me about CSR, so listen to me carefully all Directors, CFO, Company Secretary, all Directors now the donation which you give you to the CSR that is a very good thing. CSR what they give, you and your employees get blessings wherever they give CSR, to the children or whatever. But now, I am in this field for 30 years, 35 years. In 2 years, I have come to hear new things from the company. What they say that you give INR1 lakh donation to the company and that I have a file of doctor's, hotel, I have a bill of INR4 lakhs, do something, do something, the whole file is circulated in the company.

So, the MD, Company Secretary, CFO told to see what is this. So, the Company Secretary, the CFO, went and saw, there is a huge board of trust, all license, formalities is all A to Z. Go and see there is some other business running and share business is running. So, if you get 4, 5, 10, 20 donation what come to you and withdraw money. They withdraw money and share it with each other. You should keep in mind one thing. Today the Hinduja group is all over India. We came to know about this new thing. We didn't know anything. The company people who saved us that opened our eyes and where is the money? If you do business, you don't have to do any service.

If you go and give to a company INR1 lakh then INR20 lakh will come. And on top of that, 1 share is right of the shareholders, for doing promise you do so much hard work just pay attention to this for all the time what CSR is there you do with your hand. You and all your employees will get the blessings and benefit that the money will not go in the wrong hands and I wish you the best of luck for all the festival.

I am also a small shareholders and I have got some return from your shares, you have given good dividend and in future you have a good future. All over India and city, small villages are there you should do the marketing and in this way the sales will be increased. Big truck is a problem in this city and you take care of the small trucks. Your factory whatever is there you should work in small stuff, so please take of that. Thank you.

Moderator:

Thank you very much. Reminders to the speaker shareholders. In the interest of time, may I request you to restrict your question or comments to three minutes. I now invite speaker shareholder number 12, Vinod Agarwal. Please accept the prompt on your screen, unmute your audio and video from your device and proceed with your question. Mr. Agarwal, please unmute your audio and video from your device and proceed with your question.

Vinod Agarwal:

I have unmuted. Respected Chairman Mr. Dheeraj G Hinduja, our MD and CEO – Mr. Shenu Agarwal and CFO – Gopal Mahadevan and CS – Mr. Ramanathan sir. Sir, this is our 75th Platinum Jubilee year. It is a very prestigious year, sir. Sir, Koi Manzil Door Nahin is the new logo, sir. And my only one or two queries, sir. What is the defense order book that you have got? We were selling 1,92,000 vehicles last year. What is the defense vehicle order that we have got and government is targeting by 2030 to be 100% EV sales. How prepared is our country or is our company to be 100% EV vehicle sales by 2030 and we are net water discharge positive that is good. This is helping our company.



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And sir, one second sir. Sir, you have shown fuel cell vehicles, hydrogen vehicles at the Expo, what is the position and how soon will they come into the market? We have seen Switch, double-decker buses on Mumbai streets we have seen them, sir. But how soon can we see fuel cell or hydrogen vehicle on the streets or being marketed sir? These are shown at the Expo. And sir I am happy with the performance of the company and I sign-off Vinod Agarwal from Mumbai, thank you sir.

Moderator:

Thank you very much. I now invite speaker shareholder number 15, J. Abhishek. Please accept the prompt on your screen, unmute your audio and video from your device and proceed with your screen. Please unmute your audio and video from your device and proceed with your question.

J. Abhishek:

My name is Abhishek, shareholder of the company. My DPID IN 301637, client ID is 41359155. Sir, first of all, I congratulate the management on the eve of 74th Annual General Body Meeting. Sir, I trust all is well with you and your family in this challenging situation. A company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability, dividend history and becoming one of the strongest brands in our respective segment.

Sir, we are marching towards our 75th year. That is our Diamond Jubilee year. So, the shareholders have a lot of expectations from the management. Hope that the management will fulfill the wish and desire of the minority shareholders in the years to come. Sir, we can see that the company has outperformed. We can see that the share prices are illustrated, our EPS has gone up, return on equity has gone up. So, we are really proud to be the investors of Ashok Leyland sir, for the Hinduja Group and we still continue to be the shareholders of Ashok Leyland for years to come. And finally, try to discuss on a bonus if you can, 75th AGM sir as the last bonus was being given in the year 2011 and subsequently for the past 12 years, the shareholders have not received any bonus from the management. So try considering for a bonus issue in the years to come sir.

Our best wishes to the entire Board of Directors for the 75th Diamond Jubilee year. Hope that you take all our questions right. Most of the questions I already sent through email. I did not repeat the time in the Annual General Body meeting. So then, what are the steps being taken by the management to reduce the other expenses, legal professional charges and the audit fee? So, then myself and my team are running a legal firm in the name and kindly enroll our firm in the empanelment of the company. And we will be glad to extend our services, sir.

Then sir kindly try to consider hybrid AGMs in the years to come. Sir, most of the companies across Bombay and Delhi are being conducting hybrid AGMs and we can see that the practice is being adopted and hybrid AGMs, most of the senior citizens, they used to join during the physical mode. They are not able to join you in the virtual mode because of the digital challenges in this virtual platform.



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So, kindly try to consider hybrid meetings so that Pan India basis shareholders also can join and local shareholders also can join you in the digital mode and this is the mode being most preferable by most of the shareholders across the country. So try to consider and we know that Ashok Leyland follows a very good corporate governance and our Company Secretary is always reachable. And I thank the Company Secretary and their entire team for conducting the meeting and sending us the link and making this 74th Annual General Body Meeting a grand success.

I wish the company and Board of Directors a great success and prosperity in the coming future. And thank you for giving the opportunity, sir. Hope to see you in the physical AGM next year. Thank you very much, sir.

Moderator:

Thank you very much. I now invite the speaker shareholder number 16, Celestine Elizabeth Mascarenhas, did not join the AGM. I now invite speaker shareholder number 17, Santosh Kumar Saraf. Please accept the prompt on your screen. Unmute your audio and video from your device and proceed with your question.

Santosh Kumar Saraf:

Honorable President, Investors and members, officers and our shareholder ladies and gentlemen. My name is Santosh Kumar Saraf from Kolkata, warm greetings to you all. I hope you all will be healthy. Sir, I express my condolences on behalf of our Founder Chairman Hinduja Ji death. May God bless her with peace and give strength to their family. We are with her family in this difficult time and will live in this sad moment.

Sir, you have given a very good dividend. I thank you very much for giving such a good dividend and good performance. Sir, people have asked a lot of questions. A lot of people have also said about CSR. But I know there are some shareholder who do wrong things, but everybody is not like that. I have two, three small questions. If you have started a new plant this year, then tell me please tell us in future you have any plans to plant a new plant then tell us about that?

And as Mr. Vimalji has said, hydrogen fuel, the Gadkari sir wants to have hydrogen fuel to be used in the future, so according to that, are you developing new machines that can use our fuel? Please tell us about this, sir. Sir, we have a lot of dispute cases. What steps are they taking regarding those dispute cases? There are some cases, about which there is a minimum, and our book is good, what steps are they taking? Please tell us. One, sir, our India's economy is going to become the third largest economy in the world. But only 6% of our women are employed.

So, if we don't give women more employment, if we don't deploy them, how will our country grow? It is a matter of thinking as 50% of the population are women. I would like your company's management to give employment to women because women can do all kinds of work whatever hard work or soft work they can work all. Give employment to women so that women empowerment is achieved and increase 6% women employment I want the women to get more employment. And I want to thank the Secretary and his team. But one sad is that speaker number has not been given before, there is a problem. Suppose, we have been waiting for an hour, I don't know where my speaker number will come.



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I think your Secretary has not followed the formula of first come first serve of the government. I would like the Secretary sir to send me the complete details with time stamp at what time which speaker has got the registration according of that send me the list. I have some doubts so I want him to send me the list and hope he will send me the list and provide me and this VC meetings is very good.

I am joining from Kolkata and already two speakers have already joined us from before, and people joining us from Bombay, people are joining from Hyderabad, people are joining from Chennai and your Director he is joining from some other place. So, I want that in the future if you do the physical meeting so spare some time for the VC meeting so that outside shareholders so they can express their thoughts because what good employees do they would want that they should praise him and we are shareholder brother and if anyone who is from Indian or from Foreign shareholders they would appreciate them then he will get the confidence and they will work with great intensity in future.

Without wasting much time I end my speech here. I wish you all the best for 23-24 it would be good for the company and I wish all the directors, officials and employees present here for a year 2023-24 financial year and I pray to God that financial year 2023 you all have a healthy, wealthy and prosperous year 2023. Goodbye. Thank you very much for giving your valuable time.

Moderator: Thank you very much. I now invite Speaker shareholder number 18, A.V Mani Sundaram. In the interest of time, may I request you to restrict your question or comments to three minutes. Please accept the prompt on your screen and proceed with your question.

Mani Sundaram: Sir, I am Mani Sundaram, shareholder Ashok Leyland, I welcome 74th Annual General Body Meeting by means of Video Conference. Very happy to attend this meeting. Pardon for some technical difficulties, not able to switch on my video. I welcome in behalf of Chairman, M.D., Company Secretary Ramanathan's and also in behalf of all the shareholders. Next year Diamond Jubilee year what is the...

Moderator: Sorry to interrupt you Mr. Mani Sundaram. There is an echo coming sir from your line.

Mani Sundaram: Okay sir. I will make it in disconnection, what is the reason? What is the necessary steps to be given to the shareholder for declaring bonus or what you have decided to give to the shareholder? And also, revenue is low. What necessary steps to increase the revenues and Ashok Leyland have some revenue and I request you to the management and technical by means of I am an insurer survivor vehicle insurer surveyor I want an exploded view of engine -- diagram and also what is the future plan. What is the target while you have achieved lesser level and also in future and next year meeting physical meeting I am happy to attend this meeting in Diamond Jubilee year. Thanks a lot.



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Moderator: Thank you very much. I now invite speaker shareholder number 19, Ravichandran Varadarajan. Please accept the prompt on your screen, unmute your audio and video from your device and proceed with your question. Mr. Varadarajan, please accept the prompt on your screen and proceed with your question.

Ravichandran V.: Yes, Namaste to all. I am Ravichandran from...

Moderator: Mr. Varadarajan we are not able to hear you. Sir, you have muted your audio. Please unmute your audio and proceed with your question.

Ravichandran V.: Yes, I think I can see my face on the screen. Yes, Namaste to one and all and my hearty congratulations in the company entering the 75th year. So, very good performance and I have been a shareholder since 2008, so it is almost 15 years now. See I have, my first question is what is the plan on defense? Are you going to restrict yourself to vehicle mounted systems or you have some plans to extend the production to others as well because the government is emphasizing on local production, Aatmanirbhar and all. And the government is wanting to reduce the dependence from outside. So, I would like to hear from you, if there are any plans?

Second is, are there any discussions with the government at the APEX level on the EV waste. Every company has started talking about EV and moving towards that, lots of vehicles are flying on road, but any discussion on the battery disposal at the later stage at the APEX level as an industry, this also I would like to know from you?

Third one is, on the road conditions, see lots of vehicle manufacturers have come, vehicles are playing, but road conditions are not conducive enough for the vehicles. So, I am not restricting to only Chennai, Chennai roads are very poor, very bad. See, it is not only reducing the fuel efficiency, but also damaging the vehicles in a big way. See climate change is not just shifting to the EV, it also – it's also related to this kind of more fuel consumption and damage to the vehicles. So, any discussion on the government as an industry, I am not saying only Ashok Leyland, as an industry through industry body and all, this I would like to hear from you. And I have got three, four questions on the accounts.

First point is this product warranty has quadrupled, almost quadrupled from INR90 crores it has gone up to INR348 crores. So, I do not know the reasons. A second point is on the disputed trade receivables, see it has increased from INR192 crores to INR214 crores, it looks like there is no movement, is it that some are not recoverable and they are continuing? I do not know the reason why they are remaining in balance sheet that also you may like to clarify.

The other one is on the trade receivables itself more than 6 months, it has gone up from INR183 crores to INR311 crores. So, we may like to clarify, these are my questions, my hearty congratulations to the company once again and I wish all the best for better performance in future, thank you.



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Moderator: Thank you very much, I now invite the next speaker shareholder number 21, Mahesh Kumar Bubna. In the interest of time, may I request you to restrict your question or comments to 3 minutes. Please accept the prompt on your screen.

Mahesh Kumar Bubna: Okay. I am not able to understand why this video not started. Okay, anyhow. First of all, I congratulate to the Chairman, Board of directors, fellow Company Secretary, CFO, other dignitaries on the dais, as well as my colleagues shareholders who have joined this meeting. This is the 74th AGM of the company, a long journey by the company. Our independence, 76th year of the independence and our company is celebrating 74 years, very old company.

You see the automobile industry for the 8 years, 10 years not performing well in the market, even Tata Motors that skipped a dividend for 7 years, 8 years, this year they declare INR2 dividend per share and last year you had also paid INR1 per share of INR1 value, this year you had invested INR2.60 paisa against the this earning per share of INR4.70 paisa, it is very good. I thanks to particularly to the Chairman of the company that he is a very much a good search for the investors.

Santosh Saraf has told that our Promoter Chairman, the father of our Chairman should be a photograph should be affixed on the Annual Report so that people can able to know that who has established this company and we will also every time we have to -- in the memory that we can able to see and pay our homage while opening the Annual Report. Sir, next year is also a very auspicious year for us, so we will have to prepare for a better result on the occasion of the diamond Jubilee year.

Sir, lot of people have discussed lot of things, just before my speech some shareholder also discussed about the market position of these products very much I appreciate his discussions, but one thing I want to tell you that electric vehicle is not a good product in the market in U.S also, it is held even in India also it will not be successful and this -- if you see the other product also hydrogen vehicles etcetera. But India is a backward country, it is not developed country, it is underdeveloped country. So, here the existing this vehicles are very good for the Indian market.

One thing, I want to tell you that our profit has increased this year INR2,110 crores from INR528 crores it is very good sign and I hope that next year it will be INR500 crores. One thing, I see since the start of this meeting most of the shareholder has criticized for the bonus issue. But I am telling you that, there is no scope of bonus issue in the next 5 years, better you have to enhance this capital base.

If you come with some right issue or maybe combined with the right issue from public issue, the equity base should be increased, so that the optimum production of our capacity as well as the profitability can be acquired from our operation because there is lot of hope that we can able to cope more and more production, marketing, etcetera and we are able to achieve better result than the current one.



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If you see revenue from operation is also very much high from last year to this year, last year it was about INR22,000 crores, this year it is INR36,000 crores, very good. If you enhance the capital base then we can able to achieve more and we can acquire much more from the market. Because this new project also come in the market electric vehicle require some fund to operate. So, partially if you go to test the electric vehicle in the market it requires capital base more.

Sir, one thing, I will have to suggest to you that this trade receivables are increased 25% from last year, so why we will not recover this money and to regenerate in our production so that we can able to save some this financial cost. If you reduce the financial cost from INR300 crores to INR100 crores by issue of the further capital then the profitability earning per share will be enhanced and I will suggest you to don't issue any bonus share, increase the capital base, increase the profitability, increase the margin by this more profit will benefit to the shareholder.

I am a shareholder since 80 or 82, more than 45 years I have been shareholder of your company, kept the shares with patience whether the company has paid any dividend or not. I am not expecting bonus share, I am expecting the market appreciation like the MRF, INR1 lakh, 1 share INR10 value, Britannia INR1 share INR5,000 more than INR5,000 and increasing day-by-day.

One thing I am very much upset with the companies here, this market price today is INR182 for INR1 share. But as far as my expectation in this market, secondary market, SENSEX has increased INR67,000 every 2 days, 3 days after 1,000 SENSEX is increasing and there is a report that it will in March 2024' it will cross INR1 lakh.

So as far as this SENSEX is increasing, other companies market value is increasing. Why? We can able to cope the market price as per our performance, because this automobile industry is having a very setback for the last 10 years. So, people did not want to infuse the money in the automobile instead of they are increasing the IT sector and other this FMCG etcetera.

Moderator: Sorry to interrupt you Mr. Bubna, this is the operator.

Mahesh Kumar Bubna: We will have to attract the investor, more and more investor so that this automobile industry can be boosted and we can able to have a good market capitalization, good profitability and expected thereafter at least 1,000...

Moderator: Sorry to interrupt you Mr. Bubna, this is the operator.

Mahesh Kumar Bubna: I am completing, just a minute. Last year I was discussing, but our Chairman has annoyed over me, so it should not be, I am a company advisor, legal advisor, I am in practice more than 30 years, I know very much since my childhood I am in the share market. So, I know each and every this company's position, each and every legal aspect, I never written any letter to the company. I thanks to the Chairman particularly, he is very patience today, all the Board of Directors and with this remark I hope that next year you might have to send this some gift to the shareholders who has attended this year, not next year, this year, some reward for their



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contribution in the AGM in virtual meeting, they are sparing their time, their energy, they must be rewarded.

Another thing that a lot of people also requested to continue this virtual meeting, but my suggestion is to continue virtual meeting instead of physical meeting or you can make the hybrid meeting just like the earlier Infosys was holding hybrid meeting, but that is not good that will mix up everything will be messed up. So, better to keep the virtual meeting. I am a resident of the City of Joy, but I am speaking from the electronic city of India. So, I thanks to all the Board of Director to keep up the company's performance and give the better result and we will expect a better dividend, better market capitalization, our appreciation of value of shares in the market. And after 5 years, 10 years, we will expect some bonus here. Thank you all for patient listening.

Moderator: Thank you very much. I now hand over the proceedings to the management. Thank you.

Dheeraj G. Hinduja: Okay, thank you very much and thank you for your participation, comments, suggestions. I'd like to thank by expressing my appreciation for you, for your sentiments and condolences for my uncle Shri. S.P. Hinduja, who was the Chairman of our Group. Many of the questions, some of the questions were quite similar in terms of electric vehicle, what is our strategy, plant visits, bonus share. So, I will try and respond to them together.

One of the questions was with regard to the vision of the company. We have a very clear vision, which we have communicated quite often, and that is to be one of the global top 10 commercial vehicle player. And all of our actions are in that pursuit. With regard to the electric vehicles, and how they are taking shape both within Ashok Leyland and within the economy, I can assure you that as the need for alternate fuels is growing and there are more and more options that are becoming available. We took an early step in creating a new company called Switch, which is a UK-based company. And we have so far sold close to 750 electric buses.

Our vision is to be a leader in electric vehicles as well. We have many new products that are going to be coming in the Indian market and also light vehicles, which we look to introduce after the Diwali period in – after November. There – we believes that the market is slowly, but surely evolving towards alternate fuels. And whilst we are working with electric vehicles, we are also developing other alternate fuel options as well. Hydrogen is one of them, including CNG products are already out, LNG, and many more options.

We do not know which of these options or alternatives would really become the most prominent one depending on the needs of the customer and the various government regulations. But I would like to assure you that as one of the leading commercial vehicle companies in India, we will make sure that we will have all the different options available based on whatever the customers would prefer for their own usage.

There were questions with regard to plant visits and with regard to that, I would request any shareholder who would like to visit our plants to please be in touch with the Company Secretary



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and we will try and arrange that at the earliest. There was, I think a few of you had mentioned with regard to distribution of sweet boxes or dry fruits. We will, of course, look into this and review this, especially it becomes all the more difficult on a virtual basis that we are conducting this AGM in.

With regard to investor relations, we will continue to do as best as we can. I was glad to hear many of you were appreciative of the manner our company secretary and his team has been responding to you and I can assure you that we will continue to do our best in improving our investor relations. Many of you have suggested to continue this format of a virtual AGM. We naturally look forward to meeting you on a physical basis as well and hopefully next year we will try and see based on various regulations, if it is possible to continue on a virtual basis as well.

It is a special time for Ashok Leyland as we enter our 75th year, 7th September, literally in a few weeks' time. Apart from Mr. Bubna, I know many of you have expressed that we should consider bonus share. This is something that on many occasions, the board has considered, and we would like to ensure that the shareholders who are investing with us do get the best returns and I am sure the Board will once again consider the request from the shareholders for the bonus shares that you have mentioned a few times today.

There was a question with regard to how many subsidiaries we have. We have 35 subsidiaries and 6 associate companies and 2 joint ventures. With regard to CSR activities, our focus is very much on health and education. I think there was a question whether we are doing something with regard to challenging people. At this point of time, we are focused on water, for our water projects and education of the underprivileged children. We are, of course, open to consider other options as well. And we will look at any other suggestions that the shareholders might put forward.

With regard to support for women empowerment, I would like to emphasize that the company is very keen to increase its diversity and we are one of the first companies to introduce a all-engine line that is run by women. And we are hoping to increase this in other factories of Ashok Leyland as well. It is currently introduced in the Hosur plant, but I'm sure that this will increase in other plants as well as we go forward.

With regard to our capex plans and the current utilization, our current capex plan is around INR750 corers for this year, and this is predominantly for replacements and for development of some new products as well. Our current utilization is to the tune of 70%, 75%. So, we do have enough headroom for the growth that we are foreseeing in the coming years.

There was a question with regard to the actions taken by the board in terms of monitoring the actions of the management. I'm very pleased to tell you that governance is taken with the utmost importance in Ashok Leyland and all the Hinduja Group companies. Our board is independent majority of board members, about 6 of them are independent out of 11. And with regular board



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meetings and continuous participation by the Director, I can assure you that the board is very engaged to ensure that the company performance continues as you have seen in the last few quarters and to ensure that the shareholder interests are protected.

There was a question with regard to the challenges for the company. We are in a very cyclical market and of course there are many regulations that can also impact external factors, global factors, but from an Ashok Leyland perspective over the last few years, we've taken various actions to ensure that irrespective of the cyclicity of the commercial vehicle industry, we should be able to protect the growth of this company. This is by expanding, as we've done in the LCV segment, expanding our defense business, our aftermarket business, our international operations.

So there are, of course, many challenges, both from a company perspective, from an industry perspective and on a global basis. But as I just mentioned, I'm sure that with the full support of the Board of Directors and the capabilities of the management, we will be able to overcome many of these challenges that we might face. There was a suggestion in terms of increasing our marketing in LCV. I can assure you we take this again very seriously. We recognize that there are areas in the North and Eastern parts of India that we can do a lot more and the action is very much in place to see how we can increase our market share in the coming years and to increase our overall market share in the LCV segment.

There was a question with regard to the shortage of semiconductors and how are we dealing with that situation. This was definitely an issue even up to eight, nine months ago, but I think the industry is more or less overcome the shortages that were experienced in semiconductors and we are not foreseeing any immediate problems with regard to this.

There was also a suggestion if we can consider expansion into the Eastern parts of this country. At the moment, as I mentioned, we have adequate capacity, but it is something that we have noted and as and when there are needs for further expansion, we will of course try and see what are the best opportunities for the company.

With regard to defense, we recently won an order for INR800 crores. We are the leaders in logistic vehicles. Our focus remains in the segment of vehicles and at close to five years, six years ago predominantly we had one product range which was focused on the stallion vehicle. But during the course of these last few years, we've expanded our product base substantially and we do feel that within the segment that we're pursuing, there is still enough room for us to pursue growth for the future.

With regard to subsidiary performances, this has been listed in page 298 and if there are any other further questions on this, I would request you to please write to the Company Secretary. On the increase in the product warranty, this is purely as a result of market forces where we have increased our warranty from a four-year period to a six-year period. But I can assure you that, this is still very much under control looking at the increased volume and sales of the company.



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Our products are performing well, so please be rest assured that the increased warranty is more as a result of the increased coverage that we are providing to our customers.

With regard to the trade receivables, the disputed amount is about INR270 crores. This is mainly with state transport undertaking for which legal proceedings are underway. And again, I would like to reassure you that this is being monitored very carefully, not only by the management team, but also by the Board and the Audit Committee as well. The other income that was mentioned, which was INR116 crores in FY23, this is mainly as a result on the other income has gone up mainly on profit, on mutual fund and interest on deposits.

Is there any specific issue...

Gopal Mahadevan:

No, I don't think that there was nothing.

Dheeraj G Hinduja:

There was, Mr. Mani Sundaram unfortunately, we could not hear you very clearly. If you could please send your questions once again to the Company Secretary, we will ensure that those questions are answered. And similarly, Mr. Suresh Chand Jain, the line was not very clear, so again, we could not hear all of your questions. But with regard to the CSR, we have made a note and we will, of course, follow that up. Ram are there any further issues that are left, pending.

I believe I've answered most of the questions because many of them were of a similar nature with regard to electric vehicles and bonus shares. I would like to once again tell you that, please feel free to be in touch with the Company Secretary throughout the year and we'll be happy to answer any other queries you might have as well. If there are, I believe I've answered most of the questions. But if there are anything pending, I would request the Company Secretary once again to look through the recording and to respond back to the respective shareholders.

So, thank you very much again for your participation. The secretarial department will correspond on any remaining queries. The results of the votes cast through remote eVoting and the scrutinizer report will be intimated to the Stock Exchange and published on the website of the company and NSDL website. Within two working days from the conclusion of the AGM, shareholders can view the results from these on the website. Members may note that a time period of 30 minutes would be available for voting on the NSDL platform, after which the meeting will stand closed.

Once again, I'd like to thank all the members, extended family of dealers, suppliers, financial institutions, strategic partners and customers for their continuous faith in us. I would also like to thank NSDL, Veza Events, Secretarial, IT and the communications team of Ashok Leyland for the smooth conduct of the Annual General Meeting. I now conclude this meeting. Thank you once again for all your comments and suggestions.

Moderator:

Dear Members, request all the Members, participating in the AGM and who have not cast their vote yet to cast their vote. Thank you



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Dear Members, as advised by the Scrutinizers, the time for e voting has elapsed and they are of the view that all members who are participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM. This concludes the proceedings of AGM. Thank you all for participating in the AGM and e-voting.