

“Transcript of the 73rd Annual General Meeting of
Ashok Leyland Limited held on July 29, 2022”

**MANAGEMENT: MR. DHEERAJ G HINDUJA – EXECUTIVE CHAIRMAN,
ASHOK LEYLAND LIMITED
MR. SANJAY ASHER – INDEPENDENT DIRECTOR AND
CHAIRMAN OF AUDIT COMMITTEE AND
STAKEHOLDERS RELATIONSHIP COMMITTEE)
MS. MANISHA GIROTRA – INDEPENDENT DIRECTOR
AND CHAIRPERSON OF THE NOMINATION AND
REMUNERATION COMMITTEE
PROF. DR. ANDREAS BIAGOSCH – INDEPENDENT
DIRECTOR
DR. ANDREW PALMER - INDEPENDENT DIRECTOR
MR. JEAN BRUNOL – INDEPENDENT DIRECTOR
MR. JOSE MARIA ALAPONT – INDEPENDENT
DIRECTOR
MR. SAUGATA GUPTA - INDEPENDENT DIRECTOR
DR. C. B. RAO – NON-EXECUTIVE NON-INDEPENDENT
DIRECTOR
MR. SHOM ASHOK HINDUJA - NON-EXECUTIVE NON-
INDEPENDENT DIRECTOR
MR. GOPAL MAHADEVAN – WHOLE TIME DIRECTOR
AND & CHIEF FINANCIAL OFFICER
MR. RAMANATHAN - COMPANY SECRETARY
REPRESENTATIVES OF THE STATUTORY AUDITORS
AND THE SECRETARIAL AUDITORS OF THE COMPANY**

Moderator: Dear shareholders, good afternoon and a warm welcome to you all to the 73rd 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 preregistered themselves as speakers. Please note that the speaker shareholders would not be able to view the presentation slide to be made during the meeting. Please note that as per the requirement 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. Thank you and over to you, Sir.

Dheeraj Hinduja: Dear shareholder. Good afternoon. I have pleasure in welcoming the shareholders, representatives of Hinduja automotive, financial institution, banks, foreign institutional investor, mutual fund and insurance companies to this 73rd Annual General Meeting of Ashok Leyland Limited. It is now the appointed time for the meeting.

The Annual General Meeting for the financial year 2022 is held through video conferencing in compliance with the circular 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 take this opportunity to introduce to you to the members of the Board Mr. Sanjay Asher – Chairman of the Audit Committee and Stakeholders Relationship Committee. Ms. Manisha Girotra – Chairperson of the Nomination and Remuneration Committee, Mr. Jose Maria Alapont, Professor. Dr. Andreas Biagosch, Dr. Andrew Palmer, Mr. Jean Brunol; Mr. Saugata Gupta; Dr. C. B. Rao; Mr. Shom Ashok Hinduja, Mr. Gopal Mahadevan – Whole Time 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 location. The register of directors and key managerial personnel and their shareholding, register of member, register of contracts of arrangement in which directors are interested and the certificate from the secretarial auditor 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.

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 19, 2022 convening this Annual General Meeting and the copy of the Annual Report and the audited financial statements of the Company

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for the financial year ended March 31st, 2022, has been circulated on 6th July 2022 through electronic mode to the members of the Company and with your permission I shall take them as read.

While I was looking forward to meeting you in person in the interest of health and safety of all we have been advised to avoid the large gathering. I hope you appreciate this and hopefully we will be able to meet physically at the next opportunity. The Annual Report and the audited financial statement of the Company for the year 2021-22 have been with you for some time and with your permission I will take them as read. You would have noted the creditable market and financial performance of your Company during 2021-22.

The success is gratifying especially because your Company could overcome the strong headwinds the industry faced, with collective will and determination. While the intensity of the global pandemic abated to a significant extent, nonetheless, the second wave impacted us in the first quarter of the last fiscal.

While the market began improving from the second quarter, dampeners surfaced in the form of continued shortage of semiconductors, unanticipated and unprecedented increases in commodity prices and severe logistics bottlenecks.

In this backdrop, your Company posted a gradual increase in market share month over month from September 2021 in the Medium and Heavy Commercial Vehicle (MHCV) range, reaching a 30% share in March 2022. We have also improved our market share in the Light Commercial Vehicle (LCV) on a year-on-year basis. It is commendable that our International Operations registered a 38% growth in sales volume over the last fiscal year.

In addition, the businesses of Power Solutions, Defence products and Aftermarket have posted notable gains. Overall, for FY22 our Profit after Tax was Rs. 542 Crores against a Loss after Tax of Rs. 314 Crores last year. I would like to take this opportunity to gratefully acknowledge the immense contribution of each of our employee, our directors and every other stakeholder to enable Ashok Leyland reasserts its position in the industry in these challenging times.

I believe a few other developments would be of interest to you that would promote the long-term sustainability of our business would be of interest to you.

Products and technology being our core competence, we have developed a robust product plan that has the flexibility to adapt to dynamic market requirements. The AVTR range in the MHCV segment has gained widespread customer acceptance based on proven performance and reliability. The launch of the CNG vehicles in the ICV range has added further strength to our portfolio.

Following on the success of Dost, the Bada Dost model, with its best-in-class power, payload and comfort, is rapidly gaining ground in the LCV segment. It has bagged the Apollo award for "CV of the Year" and "Pickup of the Year," ET Now Global Retail Excellence Award and CII Design Excellence Award.

The LCV portfolio was also extended to include a Reefer version in Partner model and an ambulance in Mitr.

With our commitment to clean emission vehicles, we have developed a roadmap covering CNG, LNG, hydrogen, fuel cell and battery electric vehicles to cater to different applications and customer needs. Action is already on to extend CNG and LNG across the full range of trucks and buses. We are pursuing a proactive approach to develop technologies in the areas of Safety, Digital, and Green energy.

In Safety, we are working on enabling various levels of Advanced Drive Assistance Systems and plan to roll out these products over the next 3 years. We are closely engaged with key technology partners and customers to enable the development and deployment of these features.

In parallel, we are working on developing an ecosystem to enable the customers to deploy the green energy vehicles as well.

In Digital, we will continue to work on solutions such as prognostics, customized AMC. As I had mentioned last year, we have structured our Electric Vehicles in bus and LCV segments as a separate business entity called Switch Mobility, through which significant progress has been made in India, U.K., and Spain. Switch is actively participating in several EV related market opportunities in India and abroad. Very recently contemporary 12m buses for the Indian and European markets were showcased.

Our International Operations market expansion strategy is built on our strong presence in SAARC and the GCC making significant new inroads into the African markets where 15 new distributors have been appointed last year and product models Falcon Super, Gazl and Phoenix RHD were launched.

In the Defence sector, we now have a full range of offerings which consists of combat support, armored, light specialist and tracked vehicles. The Power Solutions Business is well prepared for the upcoming CPCB 4 emission shift. The previous fiscal saw good growth in the Power Gen and BS CEV 4 industrial segments. We are now looking to expand the business in the non-automotive segment, globally.

Moving forward, our assessment is that the volatility in environment in the near term will be high. The Russia-Ukraine war has triggered massive spikes in crude oil, food, and commodity prices. Globally, inflation has become a major concern. Supply chain disruptions, including chip shortages, are expected to continue. Although we see improvements in the availability of chips, we still believe it could take another two quarters to restore normalcy.

On the positive side, the Indian economy is expected to post a GDP growth rate of over 7%. The Government of India is committed to boosting infrastructure spend which should augur well for your Company. This along with the announcement of the Vehicle Scrapage Policy is favorable for our industry.

In my view, carefully balancing the long-term sustainable growth aspirations with short term needs is more important now than ever before. This requires flexibility and quick adaptability to ever changing needs, which we have integrated well in our strategies. As always, we will continue to invest in products and people regardless of short-term business fluctuations while being constantly vigilant on costs and returns. Diversity and all forms of Inclusion along with customer orientation will be cornerstones of our strategy implementation. We will continue on our digital transformation journey, which has become an all-encompassing business facet and a growing imperative to respond to dynamic consumer expectations.

We have taken an early lead in adopting to Environment, Social and Governance (ESG) targets in our plans and operations. Ten focus areas covering various aspects of ESG will be pursued as relevant to our industry and in line with UN SDG goals.

Our sustainability initiatives focus on net zero carbon footprint and positive water balance.

Our CSR program “Road to School” covers today 969 schools with about 100,000 children benefitting from this initiative. To recall, this initiative is focusing on improving the quality of education, health, nutrition, social and civic awareness amongst children from Government schools. Our target is to reach 1 million students as soon as possible.

In conclusion, I wish to assure our shareholders that your Company is committed to grow its business sustainably based on operational excellence and strategic foresight. We have always converted every crisis into an opportunity and the last year was no different. We truly owe it to our people who spare no pains to achieve the goals. I am confident that with the actions seeded and the team we have, we will continue our growth trajectory towards our Vision and identified Missions. I would like to thank your Company’s extended family of dealers, supplier, banker, 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. I look forward to keeping you posted on the progress of our endeavors and thank you for your continued support to Ashok Leyland.

Now I would request Mr. Gopal Mahadevan to make an audio-visual presentation.

Gopal Mahadevan:

Good afternoon, ladies and gentlemen. Welcome once again to Ashok Leyland Annual General Meeting. I will take you through the performance of Ashok Leyland in FY21-22 over the next few slides. As can be seen our vision is to be a top 10 global CV player creating reliable and differentiated products and solutions while delivering outstanding stakeholder value. The presentation is in three parts. The business overview, the standalone financials and finally the consolidated financials. Last year India saw the recovery of the economy after a very tough challenge faced in FY21 owing to COVID. India is now destined to be a high growth economy in FY23 with growth rates exceeding 7%. There are several initiatives by the government which will drive the growth of the economy. It is investment led and investments at infrastructure are expected to spur the growth rate of the economy.

Coming to Ashok Leyland, domestic volumes growth was witnessed in domestic trucks, domestic buses as well as in light commercial vehicles. Domestic trucks grew by over 41% over the previous year, domestic buses grew over 35% and small commercial vehicles grew at nearly 12% over the previous year. The year also saw a slew of launches in the M&HCV segment. The AVTR range of trucks as well as the CNG range of Ecomet vehicles.

Ashok Leyland continued to win awards for its product and won the Apollo CV awards last year for two of its product launched in the taper range. The photographs of the products can be seen on the right side of the slide. The Company not only grew its volumes in the domestic truck business as well as the LCV business, but it also grew its network as can be seen from the graph.

As of 31st of March 2022 there were more than 730 points of presence across the country. Spare parts revenue grew by over 31% over the previous year to 1,551 crores. Exports volume crossed over 11,000 units in International operations, export volumes grew by over 37% including in all critical markets such as SARC, GCC and Africa. These are some of the key highlights of International operations and its expansion in FY21-22.

The defense revenues grew marginally by about 2.9% over the previous year, but in the coming years this business segment is expected to grow quite significantly riding on the back of the new tenders that the Company has won and the demand for new generation defense vehicles. The power solutions business revenues were marginally lower than the previous year owing to the constraints on ECO availability. In the current year with the easing of the ECO availability we believe that the power solutions business should witness a growth.

There were several key initiatives that were driven across the Company in FY21-22.

We had VEejay400 for reducing material cost, Coral150 for reducing distribution cost. Disruptive innovations for improving quality, reduction in overheads as well as improving the network, agile product development, digital and automation as well as talent management. Ashok Leyland will continue to launch new products and raise the bar of the industry be it in M&HCV, ICV or in small commercial vehicles. There would be an expansion of the product portfolio in buses, both domestic and exports as well as in the defense segment. Vayu, CNG vehicles is a very important business segment for the Company and you would see an expansion of the portfolio in the current year both in the intermediate commercial vehicle as well as the small commercial vehicles.

Coming to Switch which is the electric vehicle initiative of Ashok Leyland housed under the Switch group of companies both in UK and India. Switch India, I am happy to share with you has over 600 buses of orders from various State Transport Undertakings. By applying of these buses under the eMobility as a service contract that Switch operates along with Ashok Leyland it exceeds 98% in most of the STUs and over 95% in UK. New products could be launched under Switch include the 12-meter ultra-low entry bus the 12-meter standard bus as well as the metro double decker in UK. In March 2022 Switch expanded its operations in Spain when a groundbreaking ceremony was held.

Digital is a key focus area at Ashok Leyland. Digital drives customer experience, process automation and data and analytics. It is also core to connected vehicles industry 4.0 and most importantly employee engagement. Ashok Leyland has been a very famous and respected brand. Efforts were on in FY21-22 to enhance the brand even further through initiatives in brand campaigns, print media, social media as well as internal communications both with employees as well as with vendors and partners.

At Ashok Leyland, ESG is a way of life. In the last year significant efforts were taken to reduce carbon footprint and hence water conservation, promotion of education through that very unique program called as Road to School which touches over 96,000 students spread over 969 schools and also to provide water, health and hygiene to villages through the Jal Jeevan program. People are Ashok Leyland real assets and here again the Company continue to pursue initiatives to enhance the engagement and retention of people through a variety of programs including 360-degree feedback, succession planning as well as young talent program which enhances the capabilities of the young talent in the Company.

Coming to the standalone financials. Revenues for the year stood at 21,688 crores which was higher than the previous year by 42%, earnings before interest, depreciation, tax and amortization EBITDA was 995 crores which was 86% higher than the previous year. Profit after tax at 542 crores was higher than the previous year by 273%. On consolidated financials revenues for the year stood 26,237 crores which was higher than the previous year by 35%. Profit before tax was a negative 200 crores as compared to negative 67 crores in the previous year and profit after tax was a negative 285 crores as compared to a negative 70 crores in the previous year. With this, we come to the end of the presentation for FY21-22. Thank you.

Dheeraj Hinduja:

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

N. Ramanathan:

In compliance with Provision of section 180 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 platform. Remote e-voting commenced on Tuesday July 26, 2022, at 9 am Indian Standard Time and ended on Thursday July 28, 2022, at 5 pm Indian Standard Time.

The Company has appointed Mrs. B Chandra & Associates, Practising 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 scheme to complete the voting. The Auditors Report on the standalone and consolidated financial statements and the secretarial auditor's report of the Company for the financial year ended March 31, 2022, do not contain any qualification, observations or comments or other remarks on financial transaction 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 Hinduja: Thank you Ram. I now invite comments and questions from the speaker shareholders only relating to the performance of the Company for the financial year 2021-22. With a view to afford adequate participation to the other shareholder 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: Thank you very much. We will now begin with the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have the first speaker shareholder Mr. V. Ramachandran connected on audio, please proceed with your question. Mr. V. Ramachandran please proceed with your question.

V. Ramachandran: Good evening. My name is Ramachandran V and I am a shareholder. Hope I am audible. Good evening Chairman Sir, members of the board and members of the senior management and all fellow Shareholders. 2,200 years back those who labor without fear and without fainting will even see the faith being put behind their back. Why I mentioned this is precisely what has happened the story of Ashok Leyland in the last few years and especially in the year of 21-22 where it has been a year of turnaround. Chairman sir I congratulate you and the entire Ashok Leyland team for this commendable performance of turnaround which is one of the best ever seen in history of auto industry in India.

This is followed by a very good result of the coming quarter. We have now seen an increase in revenue, increase in profitability, an increase in market share, a reduction of cost and optimization of cost and also we have been rewarded with an increase in dividend. Metamorphosis they say Chairman sir it is a transformation in the journey of life and so it has happened to the journey of Ashok Leyland like from a egg to a larva to a pupa and to a butterfly in your stupendous leadership the organization has transformed and processing very well and it is the cusp of coming out as a butterfly and the butterfly has just started to fly.

We are sure it will with glee and glory in the coming years and take the Company to tall levels. Chairman sir I should say we are already ahead of the curve by increased market penetration thereby enabling higher fleet utilization and higher strong profitability of fleet. We are ahead of the curve in the upcoming market where the high end of the market would be seen by Ashok Leyland. Chairman sir I would like to just thank you once again for the excellent performance by the entire stakeholders of Ashok Leyland and wishing them all the very best in the short term and long term. Thanks for the opportunity. Good evening.

Moderator: Thank you. I now invite the next speaker shareholder Mr. S. Raja. Please proceed with your question.

S. Raja: I am a shareholder of Ashok Leyland. Under the stewardship of our Chairman the Company has brought different variants of vehicles despite different variants of COVID. I would like to thank Chairman and the entire team for doing a wonderful job and we had an increase of 28% in the volume of vehicles last year. At this quarter we have done a wonderful job of 130% increase over last year and we have started the green energy emission process of getting 300 vehicles order from BMTC Bangalore and also to operate. We also got 40 vehicles from Chandigarh.

The Company is thriving hard to get into greener opportunities and I thank all of them for doing a wonderful job and recently I have gone through the papers AVTR two variants of 41 tonnes vehicles were introduced and we were the first to do in India. Earlier we have done for double decker buses and 3,516 vehicle and this is to name a few and I once again thank all of them for doing a wonderful job in the years ahead to come. Thank you.

Moderator: Thank you. I now invite the next speaker shareholder connected on audio Mr. Kankalaram Bharatraj. Please go ahead.

Kankalaram Bharatraj: Very good afternoon Chairman entire Board of Director. First of all I am happy to see all safe, healthy and fine. I thank Ramanathan for arranging the very good VC. Thank you entire secretarial Department Mr. Chairman I am very proud of Company last year, this year performance very good and I congratulate the entire board for the dividend payout also. Sir my request to you sir the Government of India is celebrating 75 years of Independence Day event. So, under the CSR project why do not you distribute flags to all our shareholders and staff so that they can plug on the whole under the CSR program. Please distribute the flag free to our shareholder and we will be very happy. Sir once again any future plans in electrical vehicle, how is the electrical vehicles in Andhra Pradesh you have started the unit, how is the unit performance sir, any disturbance from the government or anything is lacking in Andhra Pradesh plant. Once again sir I thank the entire board, be happy, be safe, healthy we are always with you thank you Mr. Ramanathan for his secretarial services entire team all the best for serving us. God Bless you sir. Thank you very much.

Moderator: Thank you. The next speaker shareholder Ms. Surekha Sharad Kumar Shah has not connected yet. We will move on to the next speaker shareholder Mr. Bimal Kumar Agarwal connected on audio. Please proceed with your question.

Bimal Kumar Agarwal: Good evening to everyone. First of all I thank the Company Secretary and his team and sir in all the companies like the earlier speaker the Company Secretary always called and say that you got the link Chorus call was very good, very good people they always say that if you cannot join on audio call you can join, but this still is the duty of Company Secretary that they should call the shareholders and tell them that you got the link. They have to keep in touch with the shareholder. Yes next time at least. One minute I will come to the main point. The Company has reported higher revenue and profit during FY22 please explain why the management think the Company would reach the pre-COVID level please provide the guidance for the current year and give detail of CAPEX plan and that is all from my. You can send some token of appreciation to all the shareholders who have joined. Thank you very much that is all from me.

Moderator: Thank you. I now invite the next speaker shareholder Vasudha Dakwe. Please proceed with your question.

Vasudha Dakwe: Thank you sir. Very good afternoon respected Chairman sir, Board of Directors and my fellow shareholders. Myself Vasudha from Thane. I would like to congrats our Company Secretary team for sending me the soft copy of the report well in advance speech itself is clear and transparent. I would like to ask what is our next two-year CAPEX plan. Secondly I would like

to ask please throw some lights on our R&D expenditure. Thirdly, please look into the matter of unclaimed dividend and unclaimed share suspense account. Please look into this matter, with this I support all the resolution. Thank you very much and wish the Company all the best for coming financial year and my best wishes for coming all the festival during the month of Sawan. Thank you very much.

Moderator: Thank you. I now invite the next speaker shareholder connected on audio Mr. Jaydeep Bakshi. Please proceed with your question.

Jaydeep Bakshi: Good Afternoon Chairman, Board of Directors myself Jaydeep Bakshi connecting from the city of Kolkata. Thanks to our Company Secretary for giving me an opportunity to express our views. Sir, I want to just know that this global turmoil and this inflation all this happening in every sector affecting every business sector, so how much have we affected and how we plans to come out of this situation and regarding this electric vehicles where the buses which we have launched when will they be inflated on the roads kindly highlight on it, nothing to add more, hope our Company all the best in the coming future. Thank you sir.

Moderator: Thank you. I now invite the next speaker shareholder Mr. Subhendu. Please go ahead.

Subhendu: Good afternoon am I audible.

Moderator: Yes please proceed.

Subhendu: Good afternoon everyone. I am Subhendu from Kolkata. At the outset, I would like to first congratulate Mr. Dheeraj Hinduja for his new position being the Executive Chairman. Without wasting much time let me straight dive into the question. I would like to know the percentage share of Ashok Leyland in Switch Mobility Automotive Limited India since I could not find the same in the Annual Report. Second I observe that many of the title deeds are not in the favor of the Company which is in fact a freehold land as given in page 117 in nuance of financial statement under schedule PPE. Most of the freehold land in Telangana, Andhra Pradesh is not in favor of the Company. I would like to know the steps taken by the Company to transfer the title deed in favor of the Company. Thank you I once again thank the Secretarial department for giving me the opportunity to ask the question. Thank you very much.

Moderator: Thank you. I now invite the next speaker shareholder Mr. Santosh Kumar Saraf.

Santosh Kumar Saraf: I am Santosh Kumar Saraf from Kolkata Namaskar to all of you and wish that all of you that all our Director are in good health and safe. I congratulate the Management for performing so good. I have sent you the question I hope you have got please answer that question and I want to ask sir what are your thoughts about electric vehicle in future and women employee for taking them in the job what are you thinking about that, is it necessary to do the women empowerment and Indian President is also women and as you know women are in good in sports too and they are good in studies too, so give them the opportunity and now Labor Ministry allowed to shift in all shifts. So, I hope and wish that you will make attention to that and empower women more. And what are you steps taken for rain water harvesting and renewable energy use what are you doing

for that and tell us about single use plastic now it has been banned, so what are the steps you are taking for that and now many things we are using in single use cover now what is the alternate for that and lastly I will talk about booster dose please do the vaccination for the third dose for the employer family then it is good. I have also taken three dose still I have suffered from COVID, but I have recovered from last week, but I have already taken three doses that is why I recovered quite fast.

Moderator: Thank you. I now invite the next speaker shareholder Mr. Suresh Kant Jain connected on audio. Please proceed with your question.

Suresh Kant Jain: Respected Chairman, Board of Director and Shareholder sir platinum year is running and India platinum year is running sir so I want that you should have pearl garland in platinum in this year as it is Ashok Leyland's platinum year is in 2024.

Moderator: As there is no response from the current speaker shareholder we will move on to the next speaker shareholder Mr. Mahesh Kumar Bubna.

Mahesh Kumar Bubna: Am I audible and visible?

Management: Yes sir.

Mahesh Kumar Bubna: Am I audible?

Management: Yeah.

Mahesh Kumar Bubna: I am not getting response for dias am I audible?

Management: You are audible.

Mahesh Kumar Bubna: it is about 3:45 tell loudly we are hearing.

Management: Yes we are hearing you sir please go ahead.

Mahesh Kumar Bubna: It seems that nobody has feed the stomach and all are empty stomach now loudly telling that yes we are getting your voice. On the 73rd Annual General Meeting of this reputed Ashok Leyland Limited Hinduja group and I congratulate to the Chairman of the Company Mr. Hinduja he is speaking from London and all other Directors, Managing Director, CFO, Company Secretary and all other Dignitary staff who are assisting to the AGM of these Company as well as all my colleague shareholders they are sparing their valuable time for having grand discussion in this annual general meeting by sparing their valuable times. Sir first of all I am very thankful to the Chairman that he is Executive Chairman I find in this Company, but in lot of other companies we are seeing that Chairman is a Non-Executive Chairman and they are the promoter also, it is a very good sign that they can able to control this companies administrative, financial and other aspect and that can able to give the proper reward to the public shareholders as well as the other financial institutions, banks etcetera because that is also the public money, financial institution

bank all these are the public money and we will also be benefitted because the Company is situated in India by the Hinduja Group NRM. So, it is good for the Indian economy that we can able to enhance our technology production because this automobile industry having a great role in the development of any country. So, it is a very important industry for the development and also for the defense also this automobile industry is a very important industry. So, take in a note that if we can able to give lot of production to the defense then we can able to curtail the import of our vehicles for defense or some fighting automobiles for the defense from the import from the other countries and we can able to give better R&D for the defense system this vacant system to Indian army. So, you can able to enhance the production of the defense vacant so that our defense system will be boost and we can able to compete with the other advanced countries of the world.

Now see some shareholder also told that we are going to celebrate the Platinum jubilee just after this is the 74th year going on and 75 year is a Platinum jubilee year. So, how this Company will celebrate Platinum jubilee those who are in long association with the companies shareholding so how you will celebrate with the shareholders, how you will reward to the shareholders. This Company was incorporated in 1948 and thereafter a long journey of 74 years is not a small journey and in the history of this Ashok Leyland and out of this 74 years I am the shareholder around 40 years to 45 years very old shareholder, but due to this virtual meeting I come across to the AGM in last year also and this year also.

I am resident of the city of joy, but I am speaking from the electronic city of India. Sir in past we had suffered heavily because I am holding about more than 4,500 shares or maybe more and I invested a huge money in your past rights issue also, but in past so many years Company has incurred the losses and did not given any dividend. We are with you for a long association to expect that at least interest quarter should be met by the Company in anyhow by other investment or some other permitted by the memorandum article other objectives. So, Company having the investment this year also Company has just invested in some investment and taken out the investment money to the profit and loss account.

Sir, in your 74 years of this pressure Company has only rewarded two times bonus to the shareholders. One is in 78 one shares or two shares and second time in 2011 1 is to 1 and thereafter no bonus nothing and even dividend also skipped. This year you come with the profitability and paying only Rs. 1 for Rs. 1 100% that is not good. If you see in the market all other companies are paying so high dividend some are paying BSC industry they have declared Rs. 140 Hindustan Lever Rs. 34 for Rs. 1 year this Britannia they are Rs. 5,000 for Rs. 1 share. So, high dividend paying by the other Company why this Company because this is the leading Company in India after Ratan Tata you are in category with the Tata Motors and others. So, it is the second automobile industry in India and your name is very famous. So, you have to think that your long-term investor should not be suffered.

Moderator: Mr. Mahesh Kumar Bubna please complete your speech we have other speaker shareholder.

Mahesh Kumar Bubna: How I will complete let me too have a finish your how many pages 284 can you read out these 284 pages in front of me in how many times and during the whole year you had met the account

this is summarized annual account let me finish the entire account, has there any bar in the companies act, is there any limitation. India having the free speech we are having the right under Article 19 and 21 of the Constitution of India under the Companies Act you had invited us under section 101, 102 as well as 41 and 42 of the LODR Regulation. You have a fixed 21 days' time fixed AGM we had not fixed. As per your direction we are coming sparing our valuable time. Why you not think that I cannot able to spare time for shareholders. Our blood money with this Company, we had earned the money paid exchequer to the government and invested to you and you are playing the money of the shareholder and financial institution.

Moderator: We will move on to the next speaker shareholder connected on audio Mr. Vijay Kumar Jay. Please go ahead. We request all the speakers to please limit your speech to three minutes.

Vijay Kumar Jay: Good afternoon to all. I am Vijay Kumar Jay 45 years old. First of all let us appreciate the AL management, employees for achieving good revenue profits last year I think BS-VI sales are slowly and steadily picking up let us keep this momentum. So, with this positive note now I am moving up to financial compliance. So, since this is the big one I break into three subcategories. First apart from safety product regulations now government driving corporate governance on important stakeholder employee with the new level of focusing social security enhancement of employees. Recently government order on employee settlement within two days after separation whether it is retirement or resignation also..., so what is the mechanism installed in AL of the compliant regulation including tracking and reporting in AGM every year. Second in the annual report superannuation settlement liability was not attach, I have seen all components of employee retirement benefit PF, Gratuity etcetera which was clearly listed out in the page number 138, 146 to 149.

In the page number 138 class 1.26 current provisions also do not cover superannuation settlement, split needed for this category as many not yet settled in the law of 15 years, how many players pending in the 15 years to employee and do we hear provision for settlement with the inflation into a compound interest rate, what is the mechanism in place to avoid such a huge pending arrear if reserve is the constraint in the finance department how we are going to overcome and walk the plant, why cannot we have a separate e-mail id to take care of AL employee along these year like ALemployee@ashokleyland.com grievances to be cleared and status report to be included in the AGM this will boost shareholder confidence.

Last, but not least as myself for the next AL employee as well as shareholder still my superannuation settlement is not done even after 14 years when I left. So, LIC has settle the amount with AL on February 2009, but it is not yet transferred to my account. So, last three month also I am closely checking the annual finance settlement nothing happened. So, I would like to know when can I get my money including 14 years inflation, compound interest rate of 10% at least. Thank you.

Moderator: Thank you. I now invite the next speaker shareholder Mr. Prabha Gundluru. Please unmute your audio and video from your device and proceed with your question. Mr. Prabha Gundluru please proceed with your question your line is unmuted.

Prabha Gundluru: Yeah I had two log ins I am going to close one so now I am okay.

Moderator: We are able to see you Mr. Prabha.

Prabha Gundluru: Just a minute please.

Moderator: Mr. Gundluru we are not able to hear you. As there is no response from the current speaker shareholder we will move on to the next speaker shareholder Mr. Kirti Shah. Please unmute your audio and video from your device and proceed with your question. Mr. Kirti Shah please proceed with your question your line is unmuted. Mr. Kirti Shah we are not able to hear you sir please proceed with your question. Mr. Prabha Gundluru is reconnected we will move on to the next speaker shareholder. Mr. Gundluru please proceed with your question.

Prabha Gundluru: Mr. Chairman Dheeraj Hinduja and Gopal Mahadevan sir and all the Independent Director of my Company video conference and my Company Secretary Ramanathan. Good evening Namaste sir. My name Gundluru from Hyderabad. I am a Financial Advisor in this quarter with Motilal Oswal. Sir first of all I would like to thank our Company MD and CEO for the wonderful performance of this financial 22. I am very happy and proud sir. Sir annual report is very fantastic, colorful and informative, excellent speech by Chairman. Sir corporate point of view I would like to highlight sir corporate governance is wonderful, good governance and accountability, transparency, integrity, all credits to Company Secretary Department Ramanathan and all the employees are very happy with the corporate governance point of view. Sir financial point of view congratulating the management and team delivering the strong financial result. Congratulations for the wonderful numbers you are posting, post my Company CEO and other team is doing consistent financial performance, quality management with the technical momentum you are working, you have good mind, growth mindset you have thank you sir and you have also given very good dividend thank you for your dividend. Sir awards point of view our Company won many more awards especially Prestigious TISS Leap Vault award and we have won two awards in the people First HR Excellence Award in 2021 segment. Thank you so much many more you are achieving. It shows my Company right path you are doing very good, wonderful performance with all the team workers. CSR point of view especially congratulation with tremendous support you are doing supporting all the ones for the social cause and support to all the needy people especially promoting the education, education is very important for all the poor people and girl child everything. I am very proud you are passionately CSR initiatives programs, promoting education, healthcare these are very important. My request is please concentrate into tribal areas, vocational courses it is helpful for the dropout students it is very important please look into this matter for tribal areas, vocational course especially. Mr. Chairman I have few question what is the vision of couple of years and also second one is semi conductor shortages where you are impacting LCV safe, sir what is the status as of now and second one is input cost inflation has dented the margin in Q4 as we know, are we seeing any softening of cost in financial Q2 or Q3 the current financial year any financial year and third one is what is the revenue contribution of Switch Mobility Limited in FY22 and what is the revenue guidance from this business of current financial year of FY23 these are my question I am restricting myself why because several people are there and I would like to restrict myself why

because I will mail all my queries to the Company Secretarial Department he is always available Mr. Ramanathan is a very nice person, he is a reasonable person. So, I would like to thank him to Mr. Ramanathan and his wonderful team. So, Company Secretary role is very important to the management and shareholders between he is an impact role for the reason I would like to thank him. Sir closing, I personally believe our Company will achieve many higher awards and recognition and further revenue goals and this financial target 23 under the leadership of Dheeraj Gopichand Hinduja sir and my MD and CEO Gopal Mahadevan under leadership. We are 100% confident go ahead and I am very happy to connect speaker shareholder in this Ashok Leyland. So, I wish all the board good health, happiness, continuing to give support for that. Thank you for giving this opportunity Ramanathan.

Moderator: Thank you. I now invite the next speaker shareholder connected on audio Mr. Kirti Shah. Mr. Shah please proceed.

Kirti Shah: Chairman Sir Good afternoon. Chairman Sir price to book value that is 5.91. Chairman Sir Company valuation it is very necessary because you have such a huge property and you have huge investment you have done we are not able to recognize the real valuation in today's date. According to me price to book value it should be as on date if you will evaluate properly and tell then it would be good. Chairman Sir our return on equity 7.38 so in current year how much it would balance that. Chairman Sir promoter holding is very less it is a good Company; it is a very good asset-based Company and why there is so less holding I am not getting and you have to increase that especially. Chairman Sir if you will do 5% convertible debenture if you will issue then it would be good and public money will be safe then public will get 14%, 15% return every year and you will also get in 5% that will be good. Chairman Sir wish you all the best. Thank you very much.

Moderator: Thank you. That was the last speaker shareholder. Over to you sir for further proceedings.

Dheeraj Hinduja: Thank to you to all the shareholders for your questions and comments. There were many questions on the electric vehicle and on the global scenario, on the commodity prices. Let me start answering these and we will get to the other questions as well. The global scenario is very difficult as I have mentioned in the annual report as well. There are many conflicts with between Russia-Ukraine that has very ripple effect for all of us. All prices have increased, inflationary trends are on a global basis affecting all countries.

Fortunately for us in India the impact has not been as severe as other countries. The commercial vehicle industry continues to see growth and this is very much due to the government policies, they continue to invest in infrastructure and looking at the next few quarters we believe that the Indian story of continued growth should hold. As per various research, the GDP for the country should be anywhere between 6.5% to 7% and with that as you know there is a very strong conversation of the economy to the commercial vehicle industry. So, we are looking at growth in this industry in the M&HCV of anywhere over 15% and in the LCV segment anywhere between 8% to 10%.

If we look at the electric vehicle segment there were many questions in terms of what is the shareholding, how do we see the outlook, when are the vehicles going to be coming on the road. As I had mentioned in our previous AGM we have now created a new Company called Switch Mobility. Our shareholding in Switch Mobility Ashok Leyland shareholding is 90% and this is Switch India is a step-down subsidiary and the effective holding is 90.6%. We already have vehicles running on the roads in Ahmadabad, in Gujarat, in Chandigarh about 120 vehicles, 130 vehicles are running. We have won new order for Bangalore 300 vehicles, for Mumbai 200 vehicles and there are also certain private parties for which we have won orders as well.

So, our electric vehicle journey continues. We will shortly be introducing light commercial vehicle in electric form as well. We have also got vehicles running in the UK and very recently we have introduced a new product for the European markets which we hope to introduce from a new plant in Spain. Our R&D expenditure over the last two years was in FY21 it was 410 crores, in FY22 it was 379 crores which was 1.75% of our turnover. The CAPEX that we are expecting over the next two years will be in the order of 750 crores per year, the total of Rs. 1,500 crores. There will be question with regard to dividend I would like to clarify that the Company has been paying dividend every year except in the financial year FY13-14 and we do expect to continue to strength. We also have a dividend policy which is 45% to 55%.

There was a question with regard to women empowerment. We fully agree with this as a Company we have a diversity policy, we already have many girls working in our plant in Pantnagar and we are hoping to introduce more and more women into the commercial vehicle segment with Ashok Leyland. So, your comments are very much welcome, but I would like to reassure that this is something that the board of director as part of our governance as well very much believe in and you will see hopefully more women joining Ashok Leyland as we go into the future.

From a sustainability perspective we are also using solar power in many of our plants goes to 70% of our power requirement are met through solar. There were question with regard to the Platinum Jubilee for Ashok Leyland our 75th year is in 2024. We have not yet decided how that will be celebrated, but I have taken into account the comments from the shareholders and your expectations in terms of dividend as I have stated earlier as well with regard to bonus share this is something very much discussed at the board meeting by the director and I can assure you that as and when the time is right we would consider issuance of bonus share once again. There was one question with regard to the title deeds.

Management:

Title deeds we have actually almost got all the title deeds in the name of the Company. There are some titles which are on long term basis with the relevant government authorities, for example, some factories we have long term lease with the local authorities so which we will not be in a position to own, but whatever is required to be in the name of the Company all are there and we can assure the shareholders that none of the title deeds are still left open.

Dheeraj Hinduja:

There was a question on unclaimed dividend I will ask Mr. Gopal Mahadevan to respond to that.

Gopal Mahadevan: Thank you Chairman. There are two questions that I would take one is superannuation fund as well. The unclaimed dividends we do keep in touch with shareholders and as on FY22 the unclaimed dividend amount is 10.51, but unfortunately despite efforts what happens is many of them lie unclaimed and then after a new process we do have to transfer it to the general revenue account of the government, but be rest assured that we would be more than happy to have these unclaimed dividends being duly claimed because this is ultimately shareholders' money.

As far as the question on superannuation fund is concerned I just wanted to share with you that disclosure is there in the annual report. It is in P&L Schedule 2.4B. As far as this particular superannuation due is concerned I think this is an old case pertaining to 2009, but let us assure you that your case is as important to us as any other. Our teams are working with LIC to kind of see where the money is lying and we will get back to you over the next possibly 15 to 20 days and not more than that. I am putting a defined timeline on this and we will ensure that the amount is reached to you rest assured that this is very important to us. Back to you Chairman.

Dheeraj Hinduja: There was a question on when is the industry expected to go back to pre-COVID level and also what is our vision for the future. When we look at the current growth in the industry as you know it is technical one we experience normally a growth of three, four years and thereafter there are certain recessionary trend which would last anywhere between 6 months to 18 months. I am glad to say that the last few quarters give us indications that this growth should continue over the next few quarters and hopefully for the next few years as well. We are seeing very strong growth in the M&HCV segment very much due to the growth in infrastructure as I mentioned and also in the LCV there is substantial growth happening due to ecommerce.

So, from our perspective we see the next two to three years should continue to see strong momentum within this we should be able to cross the previous industry hike that we have seen in the past which was in the year FY18-19. As far as our vision is concerned we have stated on numerous occasions we intend to be a global top 10 player and it is long way ahead of us, but I can assure you that the whole management is very much committed to this. We have extended our product range from pure M & HVC player to the LCV segment and within LCV we continue to increase the range of products we have there.

Similarly, we are strong player on a global basis, we are in the top five in buses and that is the position that we intend to grow further as well. As the market develops with requirements of new categories of buses I can assure you that there are very much there. Our principal focus is to ensure that from a technology perspective we stay very much ahead the industry is moving to different form of alternate fuels and once again I would like to assure that Ashok Leyland is fully prepared for any changes that might happen due to legislation or due to customer preference. We will be having all the solutions that the customer would require.

With regard to the ship shortages over the last few months we feel that the situation is improving. However, it could take another one or two quarters so we can feel that the situation has been resolved. It was very unexpected and it has been going on for the last few quarters, but as I have said that the situation has improved substantially and we do feel the next few months this should no longer be a concern for us.

As far as commodity prices and the raw material prices are concerned we did see sharp increases and the steel prices have seen a certain downward trend over the last two, three months and the current expectation is that this should continue again for the next few months. However, as I mentioned the global scenario is one of lot of uncertainty. So, there could be changes at any point of time, but I can assure when it comes to our production and our ability to make sure that markets conditions are met we do take care of all of these concerns.

With regard to focus on tribal areas and specially what we can do for girls. As far as our CSR program is concerned which is focused on education for the under-privilege children we have an extra emphasis on tribal schools and we take your point to try and see what more we can do for the girls in these tribal areas and as part of our CSR program we will definitely do as best as we can. There was a question with regard to the promoter shareholding being load. Our shareholding at the moment is over 50% and I think that is a comfortable position and it should give all shareholders confidence of Hinduja Groups own commitment to the Company.

Gopal Mahadevan:

So, I think there was a question on the price to book ratio and thanks chairman and that being about 5.12 while your observation is right and we would certainly want to see the price to book ratio improve. In terms of price earnings ratio we are comparable in fact as good as the industry. What we will continue, what the management will continue to do under the leadership of the chairman would be to enhance the performance of the Company in all fronts including all market share, on revenue optimization, on bottom line enhancement and I am sure that once we continue on this path which we have been doing as another shareholder mentioned I am sure that price to book would also start to adjust.

Dheeraj Hinduja:

Thank you. I hope most of your questions are answered. The secretarial department will correspond on any remaining query if any. Please also feel free to contact the secretarial department at any point of time for any further clarifications. The result of the vote cast through remote e-voting and the Scrutinizer report will be intimated to the stock exchanges 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 result from these websites. Members may note that the time period of 30 minutes would be available for voting on the NSDL platform for which the meeting will stand closed after which the meeting will stand close.

I would like to thank the members extended family of dealer, supplier, financial institution, strategic partner and customers for their continued faith in us. I would also like to thank NSDL Chorus Call, Secretarial, IT and Communication team of AL for the smooth conduct of the Annual General Meeting. Once again, I would like to thank all of you for participating and for your questions and comments. I would now like to conclude the meeting. Thank you.

Moderator:

Dear members request all the members participating in the AGM who have not yet cast their vote yet to cast their vote. Thank you. Dear members as advised by the Scrutinizer 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.