



**ASHOK LEYLAND**

**ASHOK LEYLAND LIMITED**

Registered Office: No.1, Sardar Patel Road, Guindy, Chennai - 600 032  
CIN: L34101TN1948PLC000105; Tel: + 91 44 2220 6000; F: + 91 44 2220 6001  
Website: [www.ashokleyland.com](http://www.ashokleyland.com); E-mail: [secretarial@ashokleyland.com](mailto:secretarial@ashokleyland.com)

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## **POSTAL BALLOT NOTICE**

### **Notice pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014**

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015) and other applicable laws and regulations as amended from time to time, the Company is seeking the approval of the Members for the matters as considered in the resolutions appended below, through Postal Ballot i.e., voting by post or voting by electronic means, as the case may be.

The Explanatory Statement pertaining to the resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed Ms. B Chandra (ACS No: 20879 and CP No.:7859), Practising Company Secretary, Chennai, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the enclosed Postal Ballot Form and return the same duly completed in the enclosed self-addressed, postage pre-paid envelope, so as to reach the Scrutinizer not later than 5 pm on Monday, January 16, 2017. If any Postal Ballot is received after 5 pm on Monday, January 16, 2017, it will be considered that no reply from such Member has been received and such Postal Ballot form would not be considered.

Members desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the Notes under the Section 'Voting through electronic means' in this Notice. The Scrutinizer will submit her report to the Chairman or any other authorised Director of the Company, on or before Tuesday, January 17, 2017 and the result of the Postal Ballot will be announced on Wednesday, January 18, 2017 at the Company's Registered Office. The results of the Postal Ballot will also be displayed at the Registered Office and hosted on the Company's website [www.ashokleyland.com](http://www.ashokleyland.com) besides communicating to the Stock Exchanges viz., BSE Limited and National Stock Exchange of India Limited and the Depositories.

### **SPECIAL BUSINESS**

#### **1. Alteration of the Objects Clause and Liability Clause of the Memorandum of Association of the Company**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED** that pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013 (Act), and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals as may be necessary or required, consent of the shareholders be and is hereby accorded, for amendment, modification and addition in the Objects Clause of the Memorandum of Association of the Company as follows:

1. Heading of the existing Clause III of the Memorandum of Association of the Company be replaced with "III A. The Objects to be pursued by the Company on its incorporation are:".
2. Heading "III B. Matters which are necessary for furtherance of the Objects specified in Clause III A" be inserted after sub-clause 1.
3. Existing Sub-clauses 2 to 38 be re-numbered as 1 to 37 and brought under Clause III B.

4. After sub-clause 1 under Clause III A of the Memorandum of Association, the following new sub-clauses be inserted:

- “2 a. To carry on the trades and businesses of Iron and Steel Founders and Founders of non-ferrous, Smelters and the casting, forming or shaping of ferrous and non-ferrous metals and other materials and of machine parts, implements and hardware of every description, castings forming and shaping of parts and components of machinery, plant and equipment of every description of ferrous and non-ferrous metals and other materials, iron mongers, steel makers, steel converters, manufacturers of ferro-manganese, colliery proprietors, coke manufacturers, miners, engineers, tinsplate makers and iron-founders in all their branches.
- b. To carry on the business of manufacturers of machinery of all kinds, components and spare parts and accessories of machineries of all kinds, including agricultural machinery and implements, tool makers, brass founders, metal workers, boiler makers, iron and steel makers and convertors, smiths, wood-workers, builders, painters, metallurgists, water supply engineers, gas makers, printers, carriers and merchants.
- c. To carry on the business of manufacturing Railway wagons, Railway carriages and components and parts thereof and all iron and steel structural work.
- d. To carry on the business of electricians, electrical and atomic engineers, and manufacturers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply and deal in accumulators, lamps, meters, engines, dynamos, batteries, telephonic or telegraphic apparatus of any kind and manufacturers of and dealers in scientific instruments of any kind.
- e. To undertake and execute any contracts for works involving the supply or use of any machinery or components and accessories of machinery of any kind and to carry out any ancillary or other works comprised in such contracts.
- f. To carry on any business relating to the winning and working of minerals, the production and working of metals, and the production, manufacture, and preparation of any other material which may be usefully or conveniently combined with the engineering or manufacturing business of the Company or any contracts undertaken by the Company, and either for the purpose only of such contracts or as an independent business.
- g. To search for, get, work, raise, make merchantable, sell and deal in iron, steel, coal, iron ore, limestone, manganese, ferro-manganese, magnesite, clay, fire-clay, brick earth, bricks, bauxite and other metals, minerals and substances and to manufacture and sell briquettes and other fuel, and generally to undertake and carry on any business, transaction or operation commonly undertaken or carried on by explorers, prospectors or concessionaires, and to search for, win, work, calcine, reduce, amalgamate, dress, refine and prepare for the market any quartz and ore and mineral substances, and to buy, sell, manufacture and deal in minerals and mineral products, plant and machinery and other things capable of being used in connection with mining or metallurgical operations or required by the workmen and others employed by the Company.
- h. To enter into arrangement for technical collaboration with and/or other forms of assistance to any Manufacturer or Industrial Unit or Concern for setting up and/or establishing and/or carrying on business in India or elsewhere for the manufacture of any products carried on or manufactured or proposed to be manufactured or processed by this Company and such other products as the Company may be in a position to advise and give Technical assistance to other industrial concerns.

**RESOLVED FURTHER** that pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals as may be necessary or required, consent of the shareholders be and is hereby accorded, for alteration of the liability clause of the Memorandum of Association by replacing the existing Clause IV with the following new Clause IV;

IV. “The Liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion to give effect to this resolution.”

## 2. Increase in the number of stock options under Ashok Leyland Employees Stock Option Plan 2016

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED** that pursuant to the provisions of Section 62 and its related and applicable provisions, if any, of the Companies Act, 2013, the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, Regulation 6 and 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), and subject further to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the shareholders be and is hereby accorded to increase the total number of stock options under Ashok Leyland Employee Stock Option Plan 2016 (AL ESOP 2016), authorising the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include the Nomination and Remuneration Committee and any other Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution) to create, and grant from time to time, in one or more tranches, from the present limit of 42,68,815 (Forty Two Lakhs Sixty Eight Thousand Eight Hundred and Fifteen) employee stock options to 1,42,29,383 (One Crore Forty Two Lakhs Twenty Nine Thousand Three Hundred and Eighty Three) employee stock options to or for the benefit of such person(s) who are in permanent employment of the Company including any Director thereof, whether whole-time or otherwise (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided under AL ESOP 2016, exercisable into not more than 1,42,29,383 (One Crore Forty Two Lakhs Twenty Nine Thousand Three Hundred and Eighty Three) Equity Shares of face value of ₹ 1/- (Rupee One only) each fully paid-up, constituting 0.50% of the paid-up equity share capital of the Company as on March 31, 2016, either directly or through an Employee Welfare Trust (hereinafter referred to as “Trust”), on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of AL ESOP 2016.

**RESOLVED FURTHER** that all other terms and conditions of AL ESOP 2016, shall remain unchanged.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things, as it may, in its absolute discretion, deems necessary including authorising or directing to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investor Service Centers and other Advisors, Trusts, Consultants or Representatives, being incidental to the effective implementation and administration of AL ESOP 2016 as also to make applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement, if required, with the SEBI/Stock Exchange(s) and all other documents required to be filed in connection with the above and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

By Order of the Board of Directors

Chennai  
November 8, 2016

**N Ramanathan**  
Company Secretary

### Notes:

1. As required under Section 102 of the Companies Act, 2013 (Act) the following explanatory statement sets out all the material facts concerning each item of business to be transacted.
2. The Postal Ballot Notice is being sent to the Member(s) whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Thursday, December 8, 2016 (cut off Date). The Postal Ballot Notice is being sent to the Members who have registered their email IDs for receipt of documents in electronic form to their email addresses registered with their Depository Participants/the Company’s Registrar and Share Transfer Agent (RTA). For Member(s) whose email IDs are not registered, physical copies of the Postal Ballot Notice along with Postal Ballot Form are being sent by permitted mode along with a postage prepaid self-addressed Business Reply Envelope.
3. Member(s) whose names appear on the Register of Members/List of Beneficial Owners as on the Record Date will be considered for the purpose of voting/e-voting. A person who is not a Member as on the Record Date should treat this Notice for information purpose only.

4. Resolutions passed by the Members through Postal Ballot including voting by electronic means shall be deemed to have been passed as if they have been passed at a general meeting of the Members convened in that behalf.
5. In compliance with the provisions of Section 108 and 110 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI Listing Regulations, 2015, the Company provides the members the facility to exercise their right to vote by electronic means through e-voting services provided by NSDL and the business may be transacted through such voting. The instructions for e-voting forms part of this Notice. The e-voting shall commence on Sunday, December 18, 2016 from 9 am and shall end on Monday, January 16, 2017 at 5 pm. E-voting shall not be allowed beyond the said date and time.
6. Member(s) desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage of such envelope will be borne and paid by the Company. Postal Ballot Form, if sent by courier or by registered post/speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form may also be deposited personally at the address given on the self-addressed Business Reply Envelope. The duly completed Postal Ballot Form should reach the Scrutinizer not later than 5 pm on Monday, January 16, 2017 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member.
7. Postal Ballot Form should be completed and signed by the Member(s) as per the specimen signature registered with the Company/Depository Participants. In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named Member.
8. The consent must be accorded by recording the assent in the column 'FOR' and dissent in the column 'AGAINST' by placing (✓) in the appropriate column.
9. A Member cannot exercise his/her vote through proxy on Postal Ballot.
10. There will be only one Postal Ballot Form for every Client ID/Folio No. irrespective of the number of joint holders.
11. The Member can opt for only one mode of voting i.e., either by Postal Ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Postal Ballot forms will be treated as invalid.
12. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e., Thursday, December 8, 2016.
13. In case of equity shares held by companies, institutional shareholders (FPIs/ Foreign Institutional Investors/trust/ mutual funds/banks, etc.), duly completed Postal Ballot Form should also be accompanied by a certified copy of the Board Resolution/Authority letter together with the attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote by Postal Ballot, shall be sent to the Scrutinizer.
14. The Board of Directors of the Company (the Board), has appointed Ms. B Chandra (ACS No:20879 and CP No.:7859), Practising Company Secretary, Chennai, as the Scrutinizer, for conducting the said Postal Ballot and e-voting process in a fair and transparent manner.
15. The Scrutinizer will submit her report to the Chairman or any other authorised Director after the completion of scrutiny of the Postal Ballots and e-voting. Results of voting by Postal Ballot (including voting through electronic means) shall be announced on Wednesday, January 18, 2017 at the Registered Office of the Company. The results would be displayed at the Registered Office of the Company, at No.1, Sardar Patel Road, Guindy, Chennai - 600 032 and shall be intimated to the Stock Exchanges where securities of the Company are listed and will be hosted along with the Scrutinizer's report on the Company's website: [www.ashokleyland.com](http://www.ashokleyland.com) and NSDL website: [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
16. Relevant documents referred to in the Notice and the Statement are available for inspection by the Members at the Registered Office of the Company from 11 am to 5 pm on all working days from the date of despatch of the Notice till the last date for voting.
17. Members may also note that the Postal Ballot Notice and Postal Ballot Form are available on the Company's website [www.ashokleyland.com](http://www.ashokleyland.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) for download. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon

making a request for the same, by any permissible mode free of cost. For any communication, the Members may also send requests to the Company's investor email id: [secretarial@ashokleyland.com](mailto:secretarial@ashokleyland.com).

18. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the "Downloads" section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call Toll Free No. 1800-222-990.

**19. Voting through electronic means**

- I. In compliance with the provisions of Sections 108 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI Listing Regulations, 2015 the Company provides the members the facility to exercise their right to vote by electronic means through e-voting services provided by NSDL.
- II. The "cut-off date" for determining the eligibility for voting either through electronic voting system or Postal Ballot is fixed as Thursday, December 8, 2016. The e-voting period (remote e-voting) commences on Sunday, December 18, 2016 at 9 am and ends on Monday, January 16, 2017 at 5 pm. During this period, Members' holding shares either in physical form or in dematerialised form, as on the cutoff date, i.e., Thursday, December 8, 2016, shall be entitled to avail the facility of remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

**III. Process for Members opting for remote e-voting:**

**A. In case a Member receives an e-mail from NSDL (whose e-mail ID is registered with the Company/ Depository Participant(s))**

- i. Open the e-mail received from NSDL and also open pdf file viz., "Ashok Leyland remote e-Voting. pdf" with your Client ID or Folio No. as password. The said pdf file contains your User ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- ii. Launch the internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on Shareholder- Login.
- iv. If you are already registered with NSDL for e-voting, then you can use your existing User ID and password for casting your vote.
- v. Type User ID and password as initial password/PIN noted in step (i) above. Click Login.
- vi. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii. Once the home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- viii. Select "EVEN" (E-voting Event Number) of Ashok Leyland Limited.
- ix. Now you are ready for remote e-voting as Cast Vote page opens.
- x. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- xi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xii. Once you have voted on the resolution(s), you will not be allowed to modify your vote and cast the vote again.
- xiii. Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.,) are required to send the scanned copy (pdf/jpg format) of the relevant Board resolution and/or Authority letter together with attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to [scrutiniserbc@gmail.com](mailto:scrutiniserbc@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [csdstd@integratedindia.in](mailto:csdstd@integratedindia.in).

**B. In case a Member receives physical copy of the Notice (whose e-mail ID is not registered with the Company/Depository Participant(s))**

- i. e-Voting Event Number – (EVEN), User ID and Password is provided at the bottom of the Postal Ballot Form.
- ii. Please follow the steps from Sl. No (ii) to (xiii) above in III (A) to cast your vote by electronic means.

## **Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013**

As required under Section 102 read with Section 110 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the businesses mentioned under the item nos. 1 and 2 of the accompanying Notice.

### **Item No. 1**

The Board of Directors of the Company at their meeting held on September 14, 2016, approved the draft scheme of amalgamation of Hinduja Foundries Limited (HFL) with the Company and their respective shareholders and creditors, under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, (Act) as applicable, subject to necessary regulatory approvals. Upon the scheme of amalgamation becoming effective, in order to carry on the business of HFL, by the Company, the main objects of HFL is proposed to be incorporated in the main objects clause of the Memorandum of Association (MOA) of the Company. Further, the existing MOA of the Company was framed under the provisions of the Companies Act, 1913. The provisions of the Act, which came into force with effect from April 1, 2014 require for stating of the Objects clause of the MOA in a different manner.

In view of the above, following amendments/changes are required in the Objects clause of MOA of the Company:-

1. Heading of existing Clause III of the Memorandum of Association of the Company be replaced with "A. The Objects to be pursued by the Company on its incorporation are:".
2. A new heading "B. Matters which are necessary for furtherance of the Objects specified in Clause III A" will be inserted after existing sub-clause 1.
3. Existing Sub-clauses 2 to 38 be re-numbered as 1 to 37 and brought under Clause III B.
4. After sub-clause 1 under Clause III A of the Memorandum of Association, new sub-clause 2 shall be inserted.
5. Liability Clause to be replaced as per the requirements of the Act.

The Board of Directors of the Company at their meeting held on November 8, 2016 had, subject to the approval of the Members in accordance with the provisions of the Act and subject to such provisions as may be applicable, approved the above amendments in the Objects clause and Liability clause of the MOA of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.1 of the Notice.

All documents referred to in the accompanying Notice and Explanatory Statement pursuant Section 102 of the Act will be available for inspection at the Registered Office of the Company from 11 am to 5 pm on all working days from the date of despatch of the Notice till the last date for voting.

The Board recommends the resolution set forth for approval of the Members.

### **Item No. 2**

The Members of the Company at the Annual General Meeting held on July 21, 2016 approved the formulation and implementation of Ashok Leyland Employees Stock Option Plan 2016 (AL ESOP 2016). The total number of options to be granted under AL ESOP 2016 was 42,68,815 (Forty Two Lakhs Sixty Eight Thousand Eight Hundred and Fifteen) options constituting 0.15% of the paid-up equity share capital of the Company as on March 31, 2016 convertible into equal number of equity shares of ₹ 1/- ( Rupee One only) each. The Company has so far granted 28,45,875 stock options out of the 42,68,815 stock options under AL ESOP 2016.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on November 7, 2016 and November 8, 2016 has, subject to the approval of the Members in accordance with the provisions of the Companies Act, 2013, (Act) and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations) and such other provisions as may be applicable, recommended to create and grant from time to time, in one or more tranches, employee stock options from the present limit of 42,68,815 (Forty Two Lakhs Sixty Eight Thousand Eight Hundred and Fifteen) employee stock options to 1,42,29,383 (One Crore Forty Two Lakhs Twenty Nine Thousand Three Hundred and Eighty Three) to or for the benefit of such person(s) who are in permanent employment of the Company including any Director thereof, whether whole-time or otherwise (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided under AL ESOP 2016, exercisable into not more than 1,42,29,383 (One Crore Forty Two Lakhs Twenty Nine Thousand Three Hundred and Eighty Three) Equity Shares of face value of ₹ 1/- (Rupee One only) each fully paid-up, constituting 0.50% of the paid-up equity share capital of the Company as on March 31, 2016, either directly or through an Employee Welfare Trust (hereinafter referred to as "Trust"), on such terms and in such manner as the Board may decide in accordance

with the provisions of the applicable laws and the provisions of AL ESOP 2016, subject to the approval of the Members. The other terms and conditions of AL ESOP 2016 as approved by the Members at their meeting held on July 21, 2016, shall remain unchanged. The increase in the number of the stock options is not prejudicial/detrimental to the interests of the employees of the Company.

Consent of the Members is being sought by way of Special Resolution pursuant to Section 62 and all other applicable provisions, if any, of the Act and as per Regulation 7 of the SEBI SBEB Regulations.

The Directors, Key Managerial Personnel of the Company or their relatives may be deemed to be concerned or interested in these resolutions to the extent of the employee stock options granted or that be granted to them under the Scheme and to the extent of their shareholding as Members.

All documents referred to in the accompanying Notice and Explanatory Statement pursuant Section 102 of the Act will be available for inspection at the Registered Office of the Company from 11 am to 5 pm on all working days from the date of despatch of the Notice till the last date for voting.

The Board recommends the resolution set forth for approval of the Members.

By Order of the Board of Directors

Chennai  
November 8, 2016

**N Ramanathan**  
Company Secretary

